SENATE *Wednesday, June 21, 1989*

(Legislative day of Tuesday, January 3, 1989)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the Honorable KENT CONRAD, a Senator from the State of North Dakota.

PRAYER

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

Let us pray:

* * * *Jesus said, "Suffer little children, and forbid them not, to come unto me: for of such is the kingdom of heaven."*—Matthew 19:14.

Gracious God, eternal Father, thank Thee for public servants whose hearts are compassionate toward little children. Give special grace to the Senators inasmuch as this very concern expresses itself in such diverse ways that agreement as to how to respond to the need is difficult.

Loving Father, as Thou dost know our hearts, may Thy Spirit guide the Senate to a decision that will provide adequate benefits for the greatest number of children and their families in a just and equitable way. Thy will be done in this place among all of us as it is in Heaven. In His name whose love for little children drew them to Him. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 21, 1989.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable KENT CONRAD, a Senator from the State of North Dakota, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

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

RECOGNITION OF THE MAJORITY LEADER

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

THE JOURNAL

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

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

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, following the time for the two leaders this morning, there will be a period for morning business not to extend beyond 11 a.m. with Senators permitted to speak therein for up to 5 minutes each.

The Senate will resume debate on S. 5, the child-care bill, at 11 a.m. In order for the Senate to complete action on the child-care bill and the emergency supplemental appropriations bill, which we may receive from the House later today, Senators should be on notice that late night sessions will occur for the remainder of this week. I hope that it is not necessary to impinge upon Senators' travel plans with respect to the forthcoming Fourth of July recess. However, I have said publicly on many occasions, and I repeat again now, the Senate will complete action on the child-care legislation before we go into recess. I hope that can be done expeditiously but, if not, it will be done.

EXECUTIONS IN CHINA

Mr. MITCHELL. Mr. President, this morning the Associated Press reports the following: And I quote the first few sentences of this story:

> Shanghai authorities today executed 3 men convicted of setting a train on fire, the first executions announced since the military crackdown that has crushed the pro-democracy movement.
>
> The executions were carried out a day after the United States and other governments had appealed for clemency for the 11 people sentenced to death since the June 3-4 army assault on Beijing.
>
> The 3 were shot to death at a public gathering, a spokesman at the Shanghai foreign affairs office said, 2 weeks after the train was set ablaze. They were convicted on Thursday and had appeals rejected on Tuesday. The train was set on fire June 6 after it ran through a barricade set up by protesters, killing 6 people.

Mr. President, this is a deeply disturbing and distressing report. Taking into full allowance the differences in judicial systems between ours and that of China and other countries of the world and making full allowance for cultural and social differences, there cannot be even a pretense of fair consideration and due process when persons are executed 2 weeks after the crime with respect to which they are charged has occurred. This is a barbarous act. It is one which should shock and deeply disturb all Americans; indeed, all peoples. It is a turn toward darkness, an unwelcomed course and one which I believe will eventually lead to a result that the Chinese authorities are attempting to forestall.

I support the statement of the decisions made yesterday by the President, limited as they were, but I now suggest that in view of the barbarous action which I just described, in view of the intransigence of the Chinese Government, in view of its total disregard of the prudence which the President has displayed until now, that the President must and should consider taking further steps, particularly with respect to trade because, as he himself has said in an earlier context in this controversy, there cannot be business as usual with a government that takes actions like these. I say that in full awareness that we benefit from trade with China; we benefit from a stable, normal relationship with China, as they do. But there are times when our ideals must be vindicated. There are times when what America stands for and believes in is more important than an economic benefit to be derived from a trade relationship.

I am not suggesting specific sanctions at this time. I am not suggesting that we immediately terminate trade.

What I am suggesting is that the President must in light of these actions make a complete review of our relationship with China, including our economic relationship, and determine whether or not further steps are necessary. I think all Americans understand the President's desire to express American outrage at the events that have occurred and are occurring in China, while at the same time leaving open the prospect of a continuing relationship with the Government of China.

I support that objective, and I believe that to be an appropriate policy. It is, however, a policy that may be overtaken by events in China itself, by actions of the Chinese Government such as the executions reported today.

Accordingly, Mr. President, I wish to express on behalf of all Americans again my deepest concern and revulsion at this barbarous act, urge Chi-

● 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

nese authorities to consider the consequences of the course of action they have embarked upon, and encourage the President to carefully consider whether and which additional measures by the United States may now be appropriate.

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

A SECOND MESSAGE TO BEIJING

Mr. DOLE. Mr. President, a "graveyard calm" prevails in China, but the human toll for this phony stability continues to grow and grow. Yesterday's public execution of three Chinese dissidents represents another tragic episode in what I earlier termed China's "great leap backward."

The administration has responded swiftly, by canceling all senior level political contacts with the Chinese regime, and suspending United States support for China's application for more than a billion dollars in loans from multilateral banks.

I commend the President and Secretary Baker for taking that action. I cannot honestly say I am optimistic that the Chinese authorities will get the message. But it is important that we let Beijing know there will be no "business as usual" as long as the crackdown continues; and that we are prepared to use the leverage available to us—in incremental stages—to signal our outrage over China's actions.

Frankly, unless there is a quick turnaround in China, the pressure for much more dramatic steps is going to grow quickly. I hope the Chinese authorities understand that. And I hope they remain cool-headed and wise enough to weigh the consequences—in terms of their relations with us; in terms of their standing in the international community—of continuing on their present reckless course.

Having said that, it is difficult at best to have any real impact. We cannot have much of an impact on Noriega. We talk about Noriega for example and our problems in that small country, in Panama. China is much further away, a billion people, but I do believe that the President has acted promptly and responsibly and yet sending additional signals to the Chinese leadership that it cannot be business as usual.

So I hope the Chinese understand that their actions are contrary to every belief every American has about freedom and justice and fair play, and we will insist, on a nonpartisan basis, that we continue to put pressure on China and the Chinese leadership in hopes they might suspend the outrageous conduct presently occurring in that country.

THE CHILD CARE BILL

Mr. DOLE. Mr. President, also I listened to the majority leader indicate that it is his hope to complete the child care bill this week. I hope we can do it, too, but I am not certain of that, and if that is the case we are prepared to be here next week or the next 2 weeks, whatever may be necessary, if that is the wish of the majority.

I must say I do not know if there is any great urgency. The House has not moved at all on child care legislation. This is important legislation. There are deep philosophical differences in how we approach child care.

It is an important issue. It is important to many who do not support the ABC bill, sort of the bureaucratic approach. We support the parents' approach to child care, not the bureaucratic approach that the ABC will foster where you will have bureaucrats making decisions rather then parents. The ABC bill has numerous shortcomings which will be discussed in detail today.

It is our hope that we will lay down an amendment to the pending amendment which will be a tax credit approach where the parents will make the choice, the parents are going to make the choice. The President is going to veto any ABC bill, and I will have that letter later on today.

So there should not be any illusion here that we are going to let this roll along and everybody is going to vote for the ABC bill. That is not the case. There are very sharp differences between the two approaches.

I believe if you gave the parents a vote—they should have; it is their children we are talking about—they would offer credits, tax credits, refundable credits where the families would make the choice on what kind of day care they would provide for their children. Whether it is family care, institutional care, whatever it may be, they would make the choice, not some State agency being prodded by some Federal agency, and we hope to make that case today.

It may be that neither bill will pass. That thought has occurred to me. I know a lot of people may not want to vote for the Republican proposal because it is a Republican proposal, some of my colleagues on the other side, but on the other hand they may not want to vote for this disastrous ABC bill which has become in my view the XYZ bill. It has been changed so often they have gone from one end of the alphabet to the other.

We do not know what the bill is. We pick up the committee report and we know that when we do almost all of it has been changed in an effort to persuade enough Members to get on board the ABC train for more bureaucracy for American families, American children, American business, whatever.

So we are going to offer the amendment hopefully about 11 o'clock today and we want to debate it. We have not had our opportunity to debate our bill. Senator HATCH and Senator DODD, the chief sponsors of the bureaucratic XYZ proposal, have had 3 days and we believe we may want some time on ours, maybe even more than we originally suggested to the majority leader.

NOMINATION OF CHIC HECHT

Mr. DOLE. Mr. President, in addition, we would like to confirm the nomination of our former colleague, Chic Hecht, who is being held for some reason that nobody will admit to at this point. We are going to find it very difficult to get any unanimous-consent agreements until we reach some agreement on that nomination.

I have colleagues on this side who say, "Here is another former colleague getting the John Tower treatment, and if he is going to get the John Tower treatment, let us find out right now so that we can gage our conduct accordingly."

So I would hope we could resolve that issue, too. It may not be important to many people. It is important to Mr. Hecht, and he is entitled to have a vote in this Chamber where he served for 6 years. He is entitled to the same treatment we would give anyone else who had served in this Chamber for 6 years. And so I hope that we could resolve that issue today because that may have an impact on how long it takes to get a unanimous-consent agreement on child care.

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

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 11 a.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

The ACTING PRESIDENT pro tempore. The Senator from Maine is recognized.

Mr. COHEN. I thank the Chair.

(The remarks of Mr. COHEN pertaining to the introduction of S. 1213 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

DON LARRABEE

Mr. COHEN. Mr. President, one of the most able representatives the people of Maine have ever had in the Nation's Capital is retiring at the end of this month. He is Don Larrabee, a long time journalist and, for the past 13 years, director of the State of Maine's Washington office.

29-059 O-90-32 (Pt. 9)

Don was born in Portland but has spent most of his working life here in Washington. As a reporter and later owner of the Griffin-Larrabee News Bureau, he has watched over a long series of Presidents, Senators, Representatives, and Maine Governors, describing and explaining their work in the Capital to readers at home. He is a respected veteran of the Senate Press Gallery and a former president of the National Press Club.

I have deeply appreciated the opportunity to benefit from Don's kind friendship and wise counsel during my years in Washington. He has always set a fine example of hard work and dedicated service on behalf of the people of Maine. There is no question that our State is losing one of the finest boosters it has ever had in the Nation's Capital.

Bill Caldwell, in his column in the Maine Sunday Telegram, paid a special tribute to this institution of Maine politics. Headlined "Some Reporters Can Be Nice Guys," this piece captures the personality and legacy of a man to whom my State will always be very grateful.

I ask unanimous consent that the article be printed in the RECORD.

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

[From the Maine Sunday Telegram, June 18, 1989]

DON LARRABEE

(By Bill Caldwell)

How long can a good Washington reporter stay a nice guy? Can he still like politicians and bureaucrats after seeing them close up every day for more than four decades? Not often. But newsman Don Larrabee does.

Larrabee wrote his first news item for the Portland Press Herald when he was 11. He's 65 now. All told, he's written some 2 million words reporting on Washington politics and politicians, focusing on those from Maine.

He's retiring in 10 days after 43 years on the Washington beat, 30 of them as newsman and the last 13 as lobbyist—some say ambassador—for the state of Maine. He's still sane, still a nice guy, still smiling, still looking as fresh as though he just stepped out of a shower and as immaculate as though his suit had been pressed six minutes ago.

Larrabee, a Portland-born boy and graduate of Deering High, has been a Washington transplant all his working life. He has survived generations of presidents, senators, representatives and Maine governors, reported on their foibles and fame, yet somehow stayed friends with all.

There's so much Washington mileage on Larrabee that he seems to have an inside track to every office in town, and the welcome mat is always out for him. Why? Partly because this bizarre city is always putting a new clown, a new donkey, a new elephant, a new ringmaster, a new high-wire artist into the Washington three-ring circus which never stops.

In this cruel kaleidoscope of revolving politics and switching loyalties, longevity, survivability, amiability and the sweet discretion not to always kiss-and-tell are the most prized virtues, because they are the most rare.

They are Larrabee's stock-in-trade. He's known every House and Senate doorkeeper, as well as every president since Truman. Yet, big names have seldom been his big sources. His best sources were loyal secretaries, medium-level, anonymous confidential assistants, people whom he always treasured and always treated as respectfully and courteously as their big bosses—even when their boss was president of the United States.

Larrabee, though he has been president of the National Press Club, member of the Gridiron and senior man in the Senate press gallery, seems to have acquired no arrogance and no enemies, unlike most of the Washington press corps and the politicians they cover.

Perhaps the major reason reporter Larrabee is quitting after 43 years without knives in his back is that he always reported Washington with a rather courtly, old-fashioned mannerliness, in comparison to the brash confrontational journalistic style currently in vogue.

"My work creed was simple," he wrote in a memoir earlier this year, "Private lives, even of public figures, were to be respected unless private foibles impacted on public policy. I make no apologies for what may be perceived as a naive approach to reporting by those who are caught up in electronic journalism. As the song goes, I did it my way."

His mention of a song is an echo of very early Larrabee, "I squandered my Air Corps mustering-out pay on a dance band venture in the West," he said, remembering how broke he was in 1946 when he rode a plane from Salt Lake City on the 16-hour flight to Washington to take a "leg-man's" job at $40 a week with a news bureau serving New England papers.

Twenty years later, he bought that Griffin-Larrabee News Bureau and serviced 20 papers from Alaska to Maine, including the Telegram, Press Herald and Bangor Daily News. In 1977 he sold his bureau to staff members in order to open a Washington office for the governor of Maine.

The Governor was James B. Longley, an independent politician without a political party in the nation's capital, who needed Larrabee to show him the slippery Washington ropes. Every governor since has kept Larrabee as Maine's man in Washington.

Larrabee has a friendly elephant's memory for political stories. He remembers his early days as a 23-year-old reporter for Maine papers. He first went to the White House with Maine Rep. Frank Fellows to present Harry Truman with the traditional first Atlantic salmon caught each spring.

"How did it go?" asked cub reporter Larrabee. "Oh, fine," said the Republican congressman. "You know Truman and I didn't have much to say to each other, so they called a photographer into the Oval Office. The president smiled. I smiled. But you should have seen the expression on that fish!"

Fellows, a curmudgeon who represented northern Maine, is largely forgotten today. But Larrabee still remembers him for a splendid quote after the congressman came home from his first junket to Europe. Larrabee asked Fellows how he liked France. "Fine," said the congressman, "but just between us, I think they ought to harden their currency and soften their toilet paper."

In the late 1960s, Larrabee bought the Griffin-Larrabee News Bureau. He also headed the Washington operations of these newspapers following the retirement of May Craig. She was the idiosyncratic lady of the hats who had become a national TV personality and a favorite at President Kennedy's news conferences and who had long been the Washington correspondent for the Guy Gannett newspapers.

During the '60s and '70s, Larrabee wrote a Washington column for the editorial pages of the Telegram, which I was handling at the time, and consequently we were in regular contact every week.

His stature in the Washington press corps was conspicuously recognized when his colleagues elected him president of the National Press Club in 1973. As president, Larrabee introduced and questioned more than 60 world newsmakers at the famous press club luncheons and interviews, including heads of state such as Israel's Golda Meir, Britain's Edward Heath and West Germany's Willy Brandt.

But Larrabee had a lighter side, too. He presented to the Washington press corps stage star Carol Channing and stripper Sally Rand, who swapped one of her fans for one of his press club scarves.

Maine politicians were the focus of much of Larrabee's work. In his memoir, he gives many backstage glimpses of them.

Here are two:

On Sen. Edmund S. Muskie: "The Indian land claims battle was settled during the Carter administration with an $80 million payment and turnover of some 300,000 acres to the Maine tribes. . . . Gov. Longley; the attorney general of Maine, then Joseph Brennan, and other political figures were convinced the Indians did not have a legitimate claim to the Maine lands. Sen. Muskie led the way with the Carter White House in seeking a compromise. . . . I can't prove it but I always felt that Jimmy Carter made a deal with Sen. Muskie to settle the land claims case if Muskie would leave his Senate seat to become secretary of state, replacing Cyrus Vance. . . . When the time came, it wasn't a bad deal for Carter, for Muskie and for Maine."

On Sen. Margaret Chase Smith: "The telephone rang on my desk in the Senate Press Gallery around 3:30 p.m. in mid-December 1971. The voice at the other end said, 'This is Margaret Smith.' It was a startling call because I had been trying to reach the senator for days. . . . No one in her office could explain why Mrs. Smith had missed a string of roll calls. 'I'm at Walter Reed Hospital,' she said. 'Bill Lewis (her long-time close aide) has had a heart attack and I want to be near him. . . . I know you have been trying to reach me but you don't understand. Bill needs me and I need him. I don't know what I'd do if anything happened to him.'"

Larrabee then asked Smith, "Are you speaking to me as a friend or do you want to be quoted?" "I don't care," she replied. "Nothing matters if Bill doesn't live."

Larrabee says the senator seemed close to tears. "I ended the conversation as quickly as I could. I not only had a scoop but the ingredients of one of the greatest love stories on Capitol Hill."

Larrabee stayed a nice guy and a caring man in spite of witnessing Washington politics and players close up and daily for 43 years. And that takes a warm and forgiving heart.

ROGER MARSHALL

Mr. COHEN. Mr. President, I would like to call the attention of my colleagues to a newspaper article describing the wonderful work of one of my constituents, Roger Marshall, of East Corinth, ME.

Mr. Marshall, a prosthetist working at Eastern Maine Medical Center in Bangor, went to Vietnam 20 years ago with the desire to help end the suffering in that war-torn country. In the 3½ years he spent with an Anglo-American relief team in the town of Quang Nghai, he shared his knowledge of artificial limbs and braces with 20 Vietnamese students and trained them to better serve their fellow country men and women.

Originally from Great Britain, Mr. Marshall settled in Maine 11 years ago. This past year he returned to Vietnam to visit four major prosthetic centers and to assess the needs of those requiring prosthetic devices from war-related and other injuries. He met with his former students and worked with many amputees.

Mr. Marshall has shown a great dedication and caring through his work with the people of Vietnam and in his own community. He has demonstrated sensitivity to the needs and concerns of patients in both countries.

I think many of you will find this an impressive story.

I ask unanimous consent that the article be printed in the RECORD.

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

[From the Bangor Daily News, June 7, 1989]

PROSTHETIST SEES NEEDS IN VIETNAM

(By Jeanne Curran)

In 1968, Roger Marshall, a British-trained prosthetist, found himself called to South Vietnam, where he served for several years in a war-torn town creating artificial limbs and braces for civilians and sharing his skills with 20 Vietnamese students.

Twenty-one years later, Marshall was back in Vietnam to assess the medical needs of war-related amputees and other people requiring prosthetic services.

Traveling on behalf of the American Friends Service Committee, Marshall, who lives in East Corinth, returned in April from a trip that required him to visit four major prosthetic centers in Vietnam and report on their needs. The medical specialist found, as might be expected, "a great deal of poverty" throughout the southeast Asian country, but he also discovered a less expected characteristic.

"One thing that struck me more than anything was the friendliness toward us," said Marshall, during an interview this week. "They knew we were Americans . . . It was most apparent that the Vietnamese do not hate Americans as people. In fact, I got the strong impression they would like to see us come back and trade."

Born in Birmingham, England, and raised in England and Scotland, Marshall served in the Royal Air Force for 2½ years. He was trained as a certified prosthetist in his native country, later receiving American certification after completing additional training at New York University and Northwestern University in Chicago. Marshall, who works at Eastern Maine Medical Center in Bangor, and his wife, a Brewer reading specialist, have lived in East Corinth for 11 years.

"I've always been interested in the peace movement," said Marshall. "I came into prosthetics because I was a medic in the Air Force. I'm not a 100 percent pacifist."

Marshall said he felt compelled to go to Vietnam during the war because he knew of the suffering there.

"Some people would interpret that as a call from my conscience—I'm not really sure," he said. "Something seemed to call me in that direction. I knew it would be bad. I didn't realize it would be as bad as it was."

Marshall said he spent 3½ years working with an Anglo-American relief team in the town of Quang Nghai, a "hotly contested area" south of Da Nang. He said his job was to help the civilian population, amputees and paraplegics "who got caught between the warring factions."

The 20-member team was often in danger, said the prothetist. One time, six members were captured by the Viet Cong, but were released unharmed "as soon as they found what (the team members) were doing," he said.

Supplies were limited and difficult to get. "We relied entirely on private donations," recalled Marshall. "I used to get plexiglass from the American helicopters and heat that up and use that for splints and certain kinds of braces." Once, he even salvaged the wing of a shot-down American airplane, using the aluminum to make artificial limbs.

"It's worlds apart from what I'm doing now, but the basic principles were the same" in terms of taking casts, measuring patients, and making prosthetic alignments, he said.

Marshall left Vietnam in 1972 after his students took their exams and graduated. "It was time to leave and time for them to take over," he said.

The Vietnamese staff took over the center and relocated it to the town of Quin Nhon. The AFSC continued to supply equipment until funds ran out in 1981, and the organization became involved in other aid projects of higher priority, said David Elder, AFSC co-coordinator for Asian programs.

Last year, President Ronald Reagan sent an envoy led by retired Gen. John W. Vessey Jr. to Hanoi to discuss humanitarian issues. Out of those discussions came the recommendation and encouragement that private aid be raised for rehabilitation efforts.

Elder said his organization, which has worked informally with several other groups on rehabilitation, recently received a major grant, almost $300,000, from two Dutch and American organizations to support that rehabilitative work.

"Our primary method is to provide tools, equipment, and supplies both for prosthetics and physical therapy," said Elder, during a telephone interview from the AFSC office in Philadelphia.

The AFSC official said there were 60,000 amputees in Vietnam, which has a population of 60 million to 65 million people. "Actually, that's very high in terms of amputations," said Elder. "You don't usually find that rate."

The six government-run prosthetic centers in Vietnam provide about 10,000 prosthetic devices and orthotic appliances, including braces, crutches, and shoes, each year, said Elder. Most Vietnamese amputees are veterans, though at least 10,000 people, including women and children, have been injured since the war ended in their attempts to clear existing minefields, he said.

Other people in need of prosthetic and physical therapy are children suffering from polio ("still a major problem"), accident victims, and people suffering from cerebral palsy, spinal-cord injuires, and congenital malformations, said Elder.

The AFSC official said Marshall's report would be used to help make purchases for the centers. After the report is reviewed, "we'll begin shopping and shipping," said Elder, adding that he expected to have the equipment "on the high seas" by the end of the summer.

Marshall visited four centers, traveling from the Mekong Delta to Hanoi, and staying in small hotels. He saw his former students and met Professor Bai Thung, director of the Hanoi prosthetic center.

The East Corinth man also saw a lot of amputees, saying that "most of them have to beg or have their families help them support themselves.

"No, they're not bitter," continued Marshall. "They're poor, very hard working, but the ones I met were not bitter. They're looking for the better times ahead."

While he was treated very well and found "no animosity at all," Marshall nonetheless was struck by the lack of supplies at the centers. "They're desperately in need of equipment and have been making a lot of limbs themselves," he said.

Impressed by the country and hoping to return some day, Marshall said he thought Vietnam potentially was "a very good investment."

THE CHILD CARE BILL

Mr. BURNS. Mr. President, I rise today to make a few comments on the pending legislation that is before this body this week. I realize there has been a lot of comment made about child care and the need for it and there is no doubt that we are looking at one of the major problems that faces this American society.

A look at history and a real look at the fabric that has held this country together for over 200 years shows that the single most important component in that fabric is the family structure. It is the strength of America.

We are now debating, for the first time in 20 years, what our first step will be toward meeting the child care needs of today's families and their children for the next 20 years and beyond. The most important factor for me in taking this first step is whether or not our family structure is protected.

In looking at the two approaches we could take in passing child-care legislation—the so-called ABC bill, that is on the floor now, and the tax credit approach—these two questions come to mind. Which approach highlights parental choice and leaves parents with the most options to choose from? And which approach does not discriminate against the family where one parent chooses to stay at home?

The answer for me on both counts is the tax credit approach.

If we go with the tax-credit approach, I believe that we will meet the changing needs of the American family—I shall lay a basis for that argument in just a little bit—and preserve the parents' right to choose who raises their children. We also will leave parents with a full array of child-care options to choose from—whether it be a licensed day-care center, a group home, a church or synagogue, a neighbor, a relative, or the mother or father. The tax-credit approach as outlined in the Dole substitute also includes grants to States to enhance their ability to help meet child-care needs.

On the other hand, the compromise ABC bill, if passed, will be the first step toward enactment of ABC in its original form. I know that Senator DODD and Senator HATCH disagree with me on that point, and they have done hours of work trying to make what I consider a bad piece of legislation a little more palatable to the rest of us. However, we are setting a course here. I believe the emphasis on standards, and they are still in the bill, will lead to more regulation now; State and Federal will come later. Once the regulations are in place, they must be enforced. The enforcement of those regulations will lead to a situation where we can only allow State or federally licensed day centers to receive State or Federal funds.

I have heard it argued that these regulations and licensing procedures will actually expand parental choice. I fail to understand that logic. I think that if asked to comply with burdensome and costly licensing procedures, most grandmothers, grandfathers, neighbors, aunts, and uncles who are providing informal care will opt out.

I may be wrong, and only time will tell, but I see the end result of this child care approach being the growth of more institutional child care at the expense of the more personal types of care.

I can not support an approach which I feel lead to that type of child care environment. I agree that there is a need to address the needs of families today, but I do not think that any of us want to do that at the expense of our children. A quote which I read in an article called "Is Day Care Ruining Our Kids" brings this point home. The article was written by Mr. Karl Zinsmeister, a research assistant at the American Enterprise Institute. He says:

> The mass surrender of child-rearing responsibilities to non-relatives and state-regulated institutions marks a profound change in human history. It represents the final victory of the Industrial Revolution: the industrialization of the family. In essence, we are attempting to make childrearing—the original social imperative—into a branch of the modern service economy. But when someone buys day care, they are buying much more than a service which permits them to work. They are buying an environment which determines much of what their children—what this society—will become.

I have heard a lot of discussion about the importance of health and safety standards, and I do not argue with that. However, we must remember that above all we are dealing with children—small infants and toddlers in the most formative years of their lives. There is no question in my mind that the single most important quality that a child-care provider should have is affection. It is very hard for government to regulate affection.

In fact, Senator PACKWOOD told us about his conversation with one woman who had just completed a study on what prerequisites could ensure a quality day-care center staff. What type of education they should have and all that. This woman, an educated professional on the subject, said that the one most important qualification would be grandmothers. I would imagine that it would be very difficult for either the State or Federal Government to mandate that all child-care providers be grandmothers.

Finally, I would like to emphasize my belief that it is critical that we maintain the option for one parent to stay home and care for his or her own child. I have heard over and over again that being a parent is no longer affordable—economic realities are forcing both parents to work in order to survive—therefore, we need to make child care more affordable.

Well, I disagree I say let us make parenting more affordable. In the last 40 years, this country has instituted policy after policy that is antifamily.

The worst antifamily policy is the Federal Tax Code. In 1948, a family of four paid 2 percent of its income in Federal taxes. Today they pay 24 percent.

It is important to note that this twelvefold tax increase is not a uniform increase, but is an increase targeted against families. Mr. Eugene Steurel, a Treasury Department tax specialist, notes that between 1960 and 1984 the average tax rate for single persons and married couples with no children did not increase, but for a married couple with two children it climbed 43 percent, for a family with four children, tax rates increased 233 percent. Then we wonder why we cannot take care of our kids. We have taxed the very people who are raising them.

The main cause for the antifamily bent in the Tax Code is the eroding value of the personal exemption. According to a Heritage Foundation report of April 6, 1988, in order for the personal exemption to have the same value relative to income it held in 1948, today's personal exemption would have to be raised to $6,468.

So there is no wonder why we have a problem in taking care of our kids. We have taxed that biggest segment of our society to death. It is time we took a look at that. The Tax Reform Act of 1986 begins to address this inequity, but it is only a small first step.

This trend is only perpetuated by setting up a system which appropriates more Federal dollars for child care. More Federal dollars, means more tax dollars of which families bear an unproportional burden. In many instances, we will be taking money out of a family's right pocket and putting it—minus a few layers of Government administration—back into the left pocket and earmarking it for child care.

There are a lot of measures we could consider here in the Congress to make being a parent affordable, such as changing the tax laws to remove the bias against families. But that is not what we are undertaking today.

I think what we can do today to help the American family is to pass child-care legislation which gives them a tax break. The tax credit approach puts money directly in the hands of parents, especially those who need it most, with no strings attached. It says to them, "You know best, if you aren't in a position to care for your own children, we'll help you pay for the care of your choice."

The legislation we may pass this week is monumental and historical. I hope that the step we take will further a government policy which will do nothing to mettle or mess with our family structure. We need to do all we can as policymakers to preserve and encourage that structure. I hope that my colleagues will join me in supporting a policy which helps families, but keeps the hand of Government as far away as possible. Being a parent is a highly personal individual responsibility, and I hope we will keep it that way.

I yield the remainder of my time.

The ACTING PRESIDENT pro tempore. The Senator from North Carolina is recognized.

Mr. SANFORD. I thank the Chair.

(The remarks of Mr. SANFORD pertaining to the introduction of S. 1212 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolution.")

RURAL PARTNERSHIPS ACT OF 1989

Mr. LEAHY. Mr. President, I am going to speak briefly about rural America and I do it with pleasure, seeing such leaders as the distinguished Presiding Officer, Senator CONRAD; the distinguished Senator from Nebraska, Senator KERREY; the distinguished Senator from North Carolina, Senator SANFORD, its former Governor—leaders, all, in rural development.

Rural America today is in trouble. Compared to the Nation as a whole, rural unemployment and poverty are higher and economic opportunities are deteriorating. We cannot have two Americas—one, a land of opportunity and a second, rural America left behind.

That is why last Wednesday, the Senate Committee on Agriculture, Nutrition, and Forestry, on a unanimous vote, reported out S. 1036, the Rural Partnerships Act of 1989. This landmark legislation gives my State, Vermont, and the rest of rural America the tools needed to prosper for the 21st century.

Our commitment to rural America has got to be more than 60 second sound bites in campaign commercials. It has to be more than floats on the Fourth of July extolling the virtues of rural living. We have to do more if rural America is going to have a real future.

Those who believe in the intrinsic values and basic values of rural America now have the responsibility of making sure that those values are available for the next generation. When considering this legislation, the committee went beyond the slogans and the sound bites. We took three basic steps in developing a new agenda for rural America.

First, we are investing in economic growth by creating new businesses and jobs.

The current economic picture in rural America is bleak. In 1988, rural unemployment rates were 28 percent higher than rates in urban areas. Because rural areas are highly dependent on resource-based economies—agriculture, forestry, mining—they are uniquely vulnerable to swings in the global economy. Poverty rates in rural America are a third higher than in nonrural areas.

While agriculture is very important, we often forget that rural America is less and less dependent on agriculture—only 10 percent of rural Americans live and work on farms. That is why we must not only look at agriculture—we must look beyond and provide new and struggling businesses with the needed capital to create jobs, opportunity and economic growth.

Let me give you a real life example of how this works. In 1968, Rozelle Britton had an idea. In northern Vermont, she and her husband wanted to set up a small cosmetics manufacturing business to run out of her home. After the banks turned her down, she went to the Economic Development Fund of Northern Vermont which lent her money to start her business. Today, Rozelle Cosmetics is a million-dollar-a-year enterprise, employing 30 people. With the rural development bill, this sort of success story can be repeated nationwide.

This bill contains $300 million over 5 years for local revolving funds to make loans to stimulate local businesses. Loans must be matched dollar for dollar by local banks. This partnership program is not Government driven; it's locally driven.

This bill also contains $50 million over 5 years for business incubators—facilities that house and aid startup businesses. Incubators lower startup costs through shared resources—shared secretarial support, phones and copying machines—and flexible leases.

Second, we are investing in human resources by improving schools and health care.

Students in rural America want to learn, but too often they do not have the same educational resources that students in the big cities have. This bill invests $110 million over 5 years through REA for "star schools." That means the student attending a school in a very small school district in northern Vermont has the chance to use telecommunications to take a math, science or foreign language course not offered at his or her school.

One beneficiary in Vermont would be the Vermont State College which has four telecommunications sites—Newport, Lyndon, Waterbury, and Springfield—and plans to expand its star schools network to 16 sites.

Health care is also a problem in rural America. In 1988, more than half of hospital closures were in rural areas. Since 1980, 190 rural community hospitals have closed and another 600 are in danger of closing. This means that rural residents often must travel hundreds of miles for specialized health care.

This bill contains $90 million over 5 years through REA to link rural hospitals in Vermont and other States to modern medical centers. This means that a physician in a small town in Vermont, wanting a second opinion when treating a patient with a heart attack, could send the patient's EKG by satellite and consult with doctors in Boston. This means state-of-the-art health care in rural communities.

Third, we are investing in quality of life by helping rural communities provide safe drinking water and waste disposal.

A 1986 EPA survey found that 70 percent of our Nation's substandard wastewater facilities were in rural areas. In 1984, EPA found that two-thirds of rural water supplies violated Federal drinking water standards.

If we followed current EPA and USDA spending, it would take 66 years to bring clean water to rural America. That's not good enough. That is simply unacceptable.

This bill contains $315 million over the next 5 years for loans and grants to rural communities to meet Federal clean water standards. Funds are allocated through the Farmers Home Administration.

As chairman of this committee, I have traveled across the country and talked to people living in rural America. I am pleased to report that they are not a despondent and depressed group; they are hopeful and optimistic. They are a tough breed, with a strong work ethic and the determination to succeed. What we must do here—and what this bill begins to accomplish—is give rural America the tools it needs to build for the future.

At latest count, 37 Senators have joined me in cosponsoring this bill. I hope that when it reaches the floor next month, it will have the support of all Senators.

This is our chance and it will be the chance for the U.S. Senate to stand up and say: We believe in rural America. We will not turn our back on rural America. And we will not have a situation, in this country, where we are really faced with two Americas, one of opportunity and the other not. We are saying, for all Americans, we believe in you.

Mr. President, I yield the remainder of my time to the distinguished Senator from Nebraska, who can also seek time in his own right.

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

RURAL PARTNERSHIP ACT OF 1989

Mr. KERREY. Mr. President, I rise today to speak on a different matter. Before I do, I would simply say that the Senator from Vermont, as well as the Senator from North Dakota, the Presiding Officer, have brought us to a point now, I think, with rural development where we are on the edge of passing legislation that will, in fact, give rural communities a whole range of tools that they need to increase employment opportunity, to improve their schools, to improve communications with other communities. It will enable them to help themselves far more than they are currently doing.

It is a piece of legislation that I know has been resisted in the past. I know how much work it has taken for my colleagues to bring it to this point. I applaud them. Having been a Governor during tough economic times in agriculture, I am very much aware of how difficult it is to do rural economic development. This piece of legislation will, I believe, help an awful lot of rural communities who are trying to provide opportunities for their people, and I thank both the Presiding Officer and the Senator from Vermont and chairman of the Agriculture Committee for giving us this chance.

The ACTING PRESIDENT pro tempore. The Senator from Nebraska is recognized.

Mr. KERREY. I thank the Chair.

(The further remarks of Mr. KERREY pertaining to the introduction of S. 1036 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

EXTENSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. The time for morning business has expired.

Mr. FOWLER. Mr. President, I ask unanimous consent that the period of morning business be extended for 10 minutes.

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

RURAL PARTNERSHIPS ACT OF 1989

Mr. FOWLER. Mr. President, I rise today to speak in support, along with my colleague from Nebraska and others, of the Rural Partnerships Act of 1989. I am proud to join our chairman, the Senator from Vermont [Mr. LEAHY], the distinguished Presiding Officer, whose leadership has been genuine and thorough and exemplary in making the case from the hills of North Dakota all the way to the swamps of Georgia that we have neglected a national asset of our country that is essential not only to the supply of food and raw materials for our Nation, but also to the national security of our country, for unless all of our land is strong, unless all of our people have opportunities and jobs and health and education, then we cannot make the case that we are a strong country capable of not only defending ourselves and our materials but assuming the leadership of the Western World which is so often asked of us.

We have worked hard on this piece of legislation. There have been many participants. We have been working on it almost nonstop now for 2 years. I am hoping that when we return in July that we will see the beginnings of a package that can do the job that we know needs to be done in our smaller towns and our rural areas.

There are two or three things included in this bill I would like to highlight quickly. We need to strengthen the network of people dedicated to creating jobs in distressed rural areas for, as we have seen, the market does not naturally flow that way. These are the individuals who can identify business opportunities, find markets and working capital, provide the business knowhow to new and growing enterprises. This bill includes the greatest bastion of rural development, our land grant research universities, in these efforts.

We also emphasize in this legislation rural educational opportunities in general. This bill authorizes grants to telecommunications partnerships to provide satellite video uplinks to make the most of limited teaching resources in rural areas. There is simply no excuse in this computer, satellite and telecommunications age for having an important segment of our population isolated from knowledge and information, information that they need to develop careers and economic opportunities for themselves.

Agriculture, of course, is and must remain the mainstay of rural America, considering the importance of reliable food supply to our national economy and, as I have mentioned, our national security. To help our farmers, we have included some incentives for crop diversification, because a more diverse market is a healthy market. However, we have to broaden the concept of rural development beyond the needs simply of our farms and our farmers, for they also depend upon the services provided by small town merchants and other professionals.

In other words, we have to strengthen the whole interdependent community. That means we need opportunities for young people in and out of farming so they have a real choice of living and raising their families where they were born, where they grew up, in the smaller towns and countryside of our land.

This package, Mr. President, does offer a good beginning. It is a start at developing the infrastructure of credit and education that are essential to develop a healthy and well-rounded rural economy. It will advance our national interests, and it will uphold our national values by strengthening rural communities.

I am grateful for the help of so many people in my State of Georgia on making the recommendations that should go into a strengthened legislation on rural development. Like the Senator from North Dakota, I have had over 159 town meetings in all 159 counties since my election to the U.S. Senate. I can tell you that we have willing hands, willing workers, people crying for the latest techniques and education. If they just get a little help in putting together the kind of private and public partnerships that will make things happen in the small communities of our Nation, it can be done, and with the passage of this legislation, there are beginnings that give real hope that it will be done. I thank the President and yield the floor.

SENATOR DENNIS DECONCINI HONORED

Mr. HEFLIN. Mr. President, recently, our colleague Senator DECONCINI was honored by the American Bankruptcy Institute [ABI] for his work and interest in the bankruptcy field over the past dozen years. This commendation is well deserved. Senator DECONCINI has played a major role in virtually every piece of bankruptcy-related legislation in the past decade. I join with the ABI in extending my congratulations and appreciation to Senator DECONCINI.

Senator DECONCINI has played a critical role in most of the bankruptcy legislation that has been before Congress. In 1978, he was the Senate sponsor and floor manager of the bill which serves as the present Bankruptcy Code—title XI of the United States Code. In subsequent years he has continued to influence the bankruptcy field. During the 100th Congress he was involved in legislation concerning intellectual property rights in bankruptcy, municipal bankruptcies, and retirement benefits for bankruptcy judges and magistrates. This Congress, Senator DECONCINI has again introduced bills dealing with important features of the Bankruptcy Code.

The American Bankruptcy Institute, the group which honored Senator DECONCINI, was in large part founded by the Senator and Congressman Caldwell Butler of Virginia in 1982. It was formed in response to the crisis facing the bankruptcy system resulting from the Northern Pipeline decision of the Supreme Court. Since its founding, it has grown to be the largest organization in the country devoted to the improvement of the bankruptcy system. Its members include judges, leading bankruptcy attorneys, accountants, trustees, and other professionals associated with the bankruptcy field. The institute is frequently called upon by Congress for its input into bankruptcy matters. It has conducted studies and provided witnesses for numerous bankruptcy-related hearings. Senator DECONCINI has served as the institute's honorary national chairman since its founding, and can take personal credit for many of the contributions of the ABI.

Throughout his tenure, Senator DECONCINI has represented a thoughtful, knowledgeable voice in the Senate on bankruptcy matters. In many ways, he has become our institutional memory on this subject. To have earned the respect of the members of the bench and bar who bestowed this honor, involving one of the most controversial and convoluted areas in which we legislate, is indeed a noteworthy feat.

I personally congratulate Senator DECONCINI on this distinction. He is a deserving honoree, and I look forward to his continued and vital service to the U.S. Senate and our Nation.

TRIBUTE TO REV. PAUL S. TIPTON

Mr. HEFLIN. Mr. President, I rise today to pay tribute to an outstanding Alabamian who has risen to the top of his field in higher education. The Reverend Paul S. Tipton has gained the respect of his peers and the community through his outstanding leadership as the president of Spring Hill College in Mobile, AL.

Father Tipton currently serves as the outgoing president of Spring Hill College and will be sorely missed when he departs. His 17 years as president have seen the college grow and prosper. Recently his leadership was recognized when he was elected as the president of the Association of Jesuit Colleges and Universities [AJCU].

As president of the AJCU, Paul Tipton will serve as the spokesman and leader of the 28 Jesuit institutions of higher learning which are members of the association. These institutions cover the spectrum of higher education from liberal arts colleges like Spring Hill to doctoral granting institutions like Georgetown University. I am confident that his guidance should help these member Jesuit institutions continue to provide a quality education for thousands of students.

The Association of Jesuit Colleges and Universities is fortunate to have someone of Reverend Tipton's caliber providing guidance in Washington. In addition to his years as a college president, Father Tipton has also served on Capitol Hill on the staff of Congressman Richard C. White of Texas. His experience as a college president and in Washington should allow him to excel as a representative and leader of these Jesuit institutions.

During Reverend Tiption's 17 years at Spring Hill College, the school's endowment increased substantially and they operated in the black for 12 out of 13 years. As a Spring Hill graduate, Paul Tipton has a keen interest in the academic success of the college. Through his leadership, the school established masters programs in theology, business administration, and teacher education, as well as a semester abroad program in Venice, Italy.

In my judgment, the Association of Jesuit Colleges and Universities made an outstanding selection when they elected Rev. Paul Tipton as president. I am confident that he will continue to stress faculty excellence and student scholarship while bringing the association the same success he brought to Spring Hill College. I wish him the best of luck in his new endeavor.

Mr. President, I ask unanimous consent that an article telling of Reverend Tipton's election and accomplishments by printed in the RECORD.

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

[From the Mobile (AL) Press Register, June 14, 1989]

REVEREND TIPTON TO HEAD JESUIT ASSOCIATION

The Rev. Paul S. Tipton, S.J., outgoing president of Spring Hill College, has been elected the new president of the Association of Jesuit Colleges and Universities, according to the Rev. Joseph A. O'Hare, S.J., chairman of the board of the AJCU at Georgetown University.

The appointment is effective in the late fall.

The association is made up of the 28 institutions of higher education under the sponsorship of the Jesuits in the United States. The purpose of AJCU is to represent the interests of the 28 Jesuit institutions and to serve as their voice at the national level.

Among the members of the organization are such institutions as Georgetown University, Fordham University, University of San Francisco, Boston College and Spring Hill College.

The membership is made up of diverse institutions which range from research, doctoral granting institutions to liberal arts colleges spread throughout the United States with significant international involvement.

Tipton succeeds the Rev. William C. McInnes, S.J., who has served as president of the association since 1977.

The AJCU offices are located in Washington, D.C., jointly with the Office of the United States Jesuit Conference.

On accepting the presidency, Tipton said, "I look forward to the challenge of serving the interests of the institutions of higher education sponsored by the Jesuits in the United States and to making a contribution in the field of independent higher education at the Washington level.

"One interesting historical fact is that the late Rev. William Crandall, S.J., a former president of Spring Hill, was the founding president of AJCU in 1967," Tipton said.

O'Hare said Tipton "brings special expertise to this position from his successful 17 years as a president joined with his prior experience in Washington congressional activity.

"We believe he is uniquely qualified to serve the best interest of our association at this time in the life of American independent higher education," O'Hare said.

Tipton came to Spring Hill in 1972 from Washington, where he worked on the congressional staff of Congressman Richard C. White of Texas.

He was educated in public and parochial schools in Birmingham and graduated from Georgetown Preparatory School. He graduated from Spring Hill in 1961.

During his tenure at Spring Hill, he has significantly strengthened the college's endowment with the school operating in the black 12 of the past 13 years.

In academic areas, he has given a high priority to faculty excellence and student scholarship. He also has established masters programs in theology, business administration and teacher education. He has overseen the development of the semester abroad program in Venice, Italy, which began in January 1987.

TRIBUTE TO COL. E. KIRBY LAWSON III

Mr. HEFLIN. Mr. President, it is a pleasure for me to recognize the widely respected Col. E. Kirby Lawson III who retires this month from his position as garrison commander at Fort Rucker, AL.

Although not an Alabama native, we Alabamians hold him as one of our own. Not only are both his children attending Alabama colleges, but his wife Barbara was born and raised in Enterprise, AL.

Colonel Lawson's exceptional history within the U.S. Army began with his graduation as a distinguished military graduate from Bucknell and continues through his present assignment in Alabama. Before coming to Fort Rucker, Colonel Lawson held numerous positions around the world. During this time, he commanded the 2d Basic Training Brigade at Fort Jackson and served in the Pentagon as staff member under the Deputy Chief of Staff for Operations and Plans.

Colonel Lawson valiantly served his country during two stints in the Vietnam war, first as an assistant S-3 operations officer and aviation officer with the 3d brigade of the 1st Infantry Division and later as the executive officer of the 227th Combat Aviation Battalion and commander of the C Company during the Cambodian incursion in May 1970.

During his service to this country, Colonel Lawson has been decorated and recognized far too many times to list here, but some awards merit noting. To distinguish his bravery, the United States decorated Colonel Lawson with the prestigious Silver Star Award, and the Legion of Merit for his expertise. He was three times honored with the Bronze Star, four times the Meritorious Service Medal, and three times the Distinguished Flying Cross.

Colonel Lawson has spent his adult life working to ensure that our defense and national security remain sound. He has always put his country ahead of his personal accomplishments and for this we owe him a huge debt of gratitude. Over the years, he has been a good personal friend of mine and an invaluable help to members of my staff. I join his family and many friends in congratulating him and wishing him an enjoyable retirement.

TRIBUTE TO LEONARD BEARD

Mr. HEFLIN. Mr. President, in the hearts of many Alabamians, May 31, 1989, will stand out as a very sad day, for on this day, Charles Leonard Beard passed away. Leonard was from my hometown of Sheffield, AL, and a personal friend of mine.

Leonard Beard provides us with an excellent example of a man who excelled as a leader in civic affairs, politics, and business. He was not a man who could be easily classified or labeled. His interests spanned the spectrum and he always rose to the top no matter what the endeavor. He never

took his success for granted and earned all that he achieved.

Mr. Beard was very active in community affairs and served on the University of North Alabama Board of Trustees for 9 years. His contributions to that institution are legend. He also offered his service to numerous other local organizations including the Tennessee Valley Art Center, the Methodist Children's Home, the Sheffield Kiwanis Club, and the YMCA.

He served as director of the Alabama Department of Planning and Industrial Development for 6 years and, as such, he was the chief industry recruiter for Alabama. He did much for the business growth of Alabama during these important years when he served in the cabinet of Gov. George Wallace.

Besides being active in community affairs, Beard served as mayor of Sheffield for 13 years. That city made remarkable progress under his leadership. He came to be identified as one of the political leaders of Alabama.

Besides his involvement in community affairs and politics, Beard was a leader in the business community. He owned the Royal Crown Bottling Co. for 50 years before selling it in 1984. These are not many individuals that I have met in my life that have been so dedicated and successful in so many things. I will miss him.

Mr. President, I ask unanimous consent that an article about Mayor Leonard's life be printed in the RECORD.

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

EX-MAYOR REMEMBERED FOR HIS SERVICE, TENACITY

The funeral for C. Leonard Beard, former Sheffield mayor, political leader, area businessman and community leader, will be at 10 a.m. Saturday at First United Methodist Church, Sheffield, with Dr. Joe Moore officiating. Burial will be in Sheffield Oakwood Cemetery, Spry Funeral Home, Sheffield, directing.

Beard, 84, died Wednesday at Shoals Nursing Home in Tuscumbia.

"He was a very public person. He was very civic minded and very helpful to our area," said Dr. Roy Stevens, executive vice president of the University of North Alabama and a personal friend of Beard's. "He was also supportive of the university and the things we wanted to do to serve the students of this area."

Beard served on the UNA board of trustees for nine years. He also served on the board of directors of several other local organizations, including the YMCA, the Tennessee Valley Art Center, the Methodist Children's Home and the Sheffield Kiwanis Club.

He was owner of Royal Crown Bottling Co. from 1934 until he sold the company in 1984. He served as mayor of Sheffield from 1948 to 1963. In 1963 he was appointed director of the State Department of Planning and Industrial Development by Gov. George Wallace. He served in that position for six years.

Beard was strong willed but was also fair and honest, according to F.E. "Buddy" Draper, a friend and former mayor of Sheffield.

"He was outspoken," Draper said. "If he believed in something he would follow through with it regardless of whether or not other people thought it was good. He just lived day to day until he got something he wanted to get done, done. Then he would get started on something else. You couldn't help but admire his tenacity."

Beard was highly respected by both his constituents and friends, according to Draper.

"He was the kind of fellow that stood out in a crowd," Draper said. "You knew he was knowledgeable about things. Even up until the time he became ill he was very active in so many things."

Despite his active involvement in community affairs, Beard was also a dedicated family man, according to Draper.

"His wife didn't drive and there have been times I've seen him leave very important engagements or meetings because he said he had to take his wife somewhere or he had to pick her up," he said. "You don't see much of that kind of person anymore. There are very few people left like him."

The family will receive friends from 6 p.m. to 8 p.m. today at the funeral home. The body will be placed in the church half an hour before the service.

Bearers will be Ernest Penn, William Howard, Buddy Draper, Frank Walters, Ted Zickos and Bill Sibley.

TRIBUTE TO CONGRESSMAN KENNETH ROBERTS

Mr. HEFLIN. Mr. President, I rise today to pay tribute to former Alabama Congressman Kenneth A. Roberts who recently passed away due to congestive heart failure.

Kenneth Roberts was born in Piedmont, AL, and spent his childhood there. After attending Howard College and the University of Alabama Law School, he practiced law in Talledega, AL. His service to his country began with his term as a lieutenant in the Navy during World War II and later as a lieutenant commander in the Navy Reserves.

Mr. Roberts was an Alabamian undoubtedly concerned about the welfare and progress of this country, and his commendable record as a Representative from 1951 to 1965 exemplifies his concern. He served as chairman of the House Commerce Health and Safety Subcommittee and the Interstate and Foreign Commerce Subcommittee on Safety. In addition, he sponsored legislation in 1953 to allow mothers working outside their homes to deduct the cost of child care for children under the age of 16 if they made less than $6,000 a year.

Congressman Roberts will also be remembered as the sponsor of legislation for air pollution controls and Federal seat belt safety standards in the early 1960's. In addition, he also sponsored legislation on refrigerator safety, hazardous substance labeling, educational television, nursing, migrant workers, child health, and Indian health.

After leaving Congress in 1965, Kenneth Roberts stayed active in Washington. He served as a member of the National Highway Safety Advisory Committee until 1970. He was also general counsel to the Vehicle Equipment Safety Commission from 1965 to 1972.

Many people may remember Congressman Roberts as a party to one of the most memorable incidents to have taken place in the House of Representatives. On March 1, 1954, Congressman Roberts was the victim of a gunshot wound to the leg when four fanatical members of the Puerto Rican Nationalist Party opened fire from the House Gallery. Congressman Roberts and four other Representatives were injured in the shooting.

I am proud that Congressman Roberts represented Alabama in Washington. He was a true patriot and a staunch advocate of improved safety standards.

Mr. President, I ask unanimous consent that an article concerning Mr. Roberts be printed in the RECORD.

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

[From the Washington Post, May 11, 1989]

FORMER ALABAMA REPRESENTATIVE KENNETH A. ROBERTS, 76, DIES

(By Eric Charles May)

Kenneth A. Roberts, 76, an Alabama congressman from 1951 to 1965 who sponsored auto safety and air pollution legislation, and who in 1954 was among five representatives wounded in a shooting on the House floor, died May 9 of congestive heart failure at his daughter's home in Potomac.

He lived in Anniston, Ala.

Mr. Roberts, a Democrat, was chairman of the House Commerce health and safety subcommittee and the Interstate and Foreign Commerce subcommittee on safety.

In 1953, he sponsored legislation to allow mothers working outside their homes and making less than $6,000 a year to deduct the cost of child care for children under the age of 16.

In the early 1960s, he sponsored legislation for air pollution controls and federal seat belt safety standards. During his congressional carreer he also sponsored legislation on refrigerator safety, hazardous substance labeling, educational television, nursing, migrant workers, child health and Indian health.

He was wounded in the leg on March 1, 1954, during a roll call vote when four members of the Puerto Rican Nationalist Party opened fire with pistols from the House Gallery.

Mr. Roberts was born and reared in Piedmont, Ala. He attended Howard College and the University of Alabama law school.

He practiced law in Anniston and Talladega, Ala. He was elected to the Alabama State Senate in 1941.

During World War II he served in the Navy in the Atlantic and Pacific theaters as a lieutenant. He later served in the Navy reserves as a lieutenant commander.

After serving on the Alabama State Board of Veteran Affairs and as city attorney for

Piedmont, Mr. Roberts won election to Congress from Alabama's 4th District in 1950.

In 1962 he and the eight other congressional representatives from Alabama ran in a statewide primary after Alabama lost a congressional seat after the 1960 census. He was defeated for reelection in 1964.

After leaving Congress, Mr. Roberts practiced law in Brewton, Ala., and Washington with the firm of Harter, Calhoun, Williams & Roberts.

He served as a member of the National Safety Advisory Committee from 1965 to 1970, and as general counsel to the Vehicle Equipment Safety Commission from 1965 to 1972. He retired as a lawyer in 1979.

Mr. Roberts received awards from the Allstate Foundation, Physicians for Automotive Safety and American Nurses Association.

He was a member of the American Legion and the Veterans of Foreign Wars. He was a member of the Lions Club, the Congressional Country Club and the Mason-Order of the Eastern Star.

His marriage to Margaret H. Roberts ended in divorce.

Surviors include two daughters, Margaret H. Roberts of Brewton and Allison R. Sinrod of Potomac; a brother, Luther E. Roberts of Anniston; and three grandchildren.

TRIBUTE TO DON HOLT

Mr. HEFLIN. Mr. President, recently Postmaster Don Holt of Florence, AL, retired after 36 years of commendable work with the U.S. Postal Service. He is one of the last few remaining Presidentially appointed postmasters, and a close personal friend of mine.

Mr. Don Holt was first appointed acting postmaster in 1953 and became postmaster in 1954. He was only 28 when he was appointed to the job, and at that time there was a rule prohibiting postmasters from being below the age of 30, unless they had previously served in the military, which Mr. Holt did.

Don scored well on a competitive civil service exam and offered extensive help to the Eisenhower campaign, both of which helped secure his appointment as postmaster in 1954. Under the new system, postmasters are no longer appointed by the President. Although the selection of postmasters is now based solely on merit, Don Holt shows that the people under the old system were just as outstanding as those under the new system.

The use of the five-digit ZIP code is perhaps one of the biggest improvements the Postal Service has ever made to speed up mail delivery. However, Mr. Holt's post office on Seminary Street still operates much the way it did years ago. The only change is that the system has grown. Mail is still sorted manually at the old post office, and people can still find the postmaster upon a friendly request.

The staff has grown over the years, but so has the historic post office building that was built in 1913. Through the years, additions have been made and the office is now listed on the National Historic Register. Mr. Holt was there to oversee all the changes that have occurred over a period of 36 years.

Before becoming postmaster, Don served in World War II for 3 years and attended the University of Alabama for 1 year. After the war he attended Florence State Teachers College, where he received a bachelor of arts degree majoring in English and history. He also met his wife, Sarah Morris, there, and they have one daughter who now works in Birmingham.

Before he took the civil service exam, Don Holt was a partner with his father in the family's hardware business. The civil service exam led him to his career in the Postal Service, a career he is now leaving for retirement.

Don Holt certainly loved his work and is filled with mixed emotions as he retires after 36 years of hard work and dedication. He does not hunt, fish, or golf, but he will continue to stay busy during his retirement. I wish him the best of luck in the future, and thank him for his 36 years of service with the Postal Service. More importantly though, I thank him for his friendship.

Mr. President, I ask unanimous consent that a newspaper article containing further information about Mr. Holt be printed in the RECORD.

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

RETIRING POSTMASTER LEAVES BIG SHOES TO FILL

(By Jennifer Oakley)

FLORENCE.—A photograph of President Dwight D. Eisenhower hangs prominently on the wall of Florence Postmaster Don Holt's office, a reminder to Holt of how his 36-year postal career began.

Holt, one of the last few presidentially appointed postmasters left in the nation, plans to retire on Friday, leaving behind lots of memories and big shoes to fill.

"I remember my first day on the job. There was so much to learn," Holt said, leaning back in the big chair behind his desk. "I applied for the job when A.W. Darby retired, and I was accepted. I had no idea before that that I would even be interested in becoming a postmaster. But I loved it, I was only 28."

Under the old system, postmasters were appointed with political recommendations and based on performance on a competitive civil service examination.

Holt's scores were impressive, and along with campaign work he had done for Eisenhower, Holt was first appointed acting postmaster in 1953 and became postmaster in 1954. His commission certificate, signed by the president, still hangs in Holt's office.

"The system completely changed in 1971," Holt said. "It had been the U.S. Post Office Department, and it was changed to the U.S. Post Service, under President Nixon. Then, they did away with the presidential appointments and based it on merit alone. The people they had under the old system were just as outstanding as the ones they have now. The only difference is that they're now real career postal people."

With his term in office drawing to a close, Holt took some time out from his schedule to reflect on the changes that have taken place during this years of service.

"When I started out, stamps cost three cents each, "Holt said. "But (the price of stamps) hasn't gone up above the general rate of inflation," Holt said. "Nobody likes it, but they tolerate it, let's say."

Another big change that took place when the system was revamped in 1971 was that the post office was mandated to operate on a break-even basis, Holt said.

"Some years we lose money and other years we've made money, but it all evens out," Holt said, explaining that revenue is generated through the sale of postage, collector's stamps, and other postal items and services. "Before that, all of the money we took in from selling stamps went into the "big pot"—the U.S. Treasury. We didn't pay our bills with the revenue. We were appropriated for that."

One of the biggest improvements made by the postal service is the use of the five-digit zip code, implemented in the '60s to help speed up mail service.

"Now they have the zip-plus-four, and big towns can use high speed optical readers, bar codes, to sort mail even faster," Holt explained. "They have that in places like Nashville and Birmingham, but we still sort mail manually here. One of the objectives of the postal service is to have a bar code system in use for every city by 1995. It's going to be a high-tech business."

But in the meantime, Holt said the main office on Seminary Street still operates much the same as it did years ago, only "everything has grown," Holt said. There are now 116 postal employees for Florence, compared with 66 that were employed when Holt took over his duties. Only four government-owned vehicles delivered the mail in the '50s, compared to today's fleet of 31. The number of city deliveries has more than doubled, from 9,000 to 18,300, and rural deliveries have almost tripled to around 8,200.

Even the building itself has grown with additions built throughout the years. The office is listed on the National Historic Register, Holt said, so cosmetic changes have been limited for several years, in order to preserve the structure's beauty.

"The walls are made of limestone, Twenty-two inches thick," Holt said, running his hand along the side of the wall. "The lobby is marble. It was remodeled in 1963."

Rumors have circulated that the post office was intended to be built in Florence, S.C., and that a mix-up gave Florence, Ala., a bigger and grander post office than plans prescribed. But Holt doesn't believe the tale and attributes it to overactive imaginations of storytellers.

"I just don't belive that would possibly be true, and I have my reasons to back it up," Holt said. "The building construction was started in 1911 and was completed in 1913. The lot was bought in 1903 for $10,000, and in those days Congress had to appropriate money for post offices to be built. That part is true. Some people say that Congress started out appropriating $25,000, and it made a lot of people mad that we weren't going to get more money than that.

"Anyway, we ended up getting $125,000 to build it. And all this, in 1912, 1913, cost $99,000 to build. It had gas lights in the lobby and all that", Holt said. "But around 1950 I happened to be in Florence, S.C., and I saw their post office. It did look plain, but knowing the system of checks and balances

the government had, I just don't think it could have slipped past that many people. Sure, it's a beautiful city. I've traveled to other parts of the state and when I tell them I'm from Florence they always comment that Florence is a pretty town. We're lucky to be able to live here."

Many people recognize Holt as he walks down the street, and sometimes they'll stop him and let him know about their mail service, whether it's compliments or complaints.

"My policy is that if they want to talk to the postmaster, they get to talk to the postmaster. One lady I knew came up to me with a letter that had been returned to her for insufficient address, and she said, 'Don, don't you know where old so-and-so lives?' and I said 'Sure I do, but that doesn't mean those folks sorting the mail back there do.' She didn't even have a street address or everything written on it. Just his name and the city. But if we know how to deliver it, we'll deliver it."

Before becoming postmaster, Holt went to the University of Alabama for a year before fighting in World War II for three years. When he returned, he went to Florence State Teachers College where he received one of the first two bachelor of arts degrees offered, majoring in English and history. It was at Florence State where Holt met the woman that would later be his wife, Sarah Morris. "I became infatuated with her," Holt said, with a steady smile. They have one daughter, Winnie, who works in Birmingham.

Holt was a partner with his father, J. Ben Holt, in the family business, Holt Hardware, before taking the civil service exam that led him into the postal service. Although there was a rule that postmasters had to be at least 30 years old, those who had served in the military were exempt from the rule, and Holt became postmaster in his twenties.

"When I leave here, I'll definitely had mixed emotions," Holt said. "There's been a lot of frustration at times, but the way I look at it is this: If you don't have frustrations you don't have much of a job.

"I've enjoyed my work thoroughly, but I don't want to go out feet first. I don't hunt, fish, or play golf, I have things I'd like to do. I'm going to retire with a positive attitude. And I'm going to stay busy, just like I've done all these years."

TERRY ANDERSON'S 1,588TH DAY OF CAPTIVITY

Mr. MOYNIHAN. Mr. President, Terry Anderson has now been held in captivity for 1,558 days in Beirut. As has been done each day that we have been in session in this body this year, I rise to alert my colleagues to this fact.

On March 17, 1989, the editorial board of the Los Angeles Times succinctly and pointedly spoke of fellow journalist Terry Anderson's situation and the absolute inhumanity of hostage taking.

I ask unanimous consent that the editorial be printed in the RECORD.

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

[From the Los Angeles Times, March 17, 1989]

FREE THE HOSTAGES

This week, our colleague Terry Anderson, chief Middle East correspondent of the Associated Press, began his fifth year of captivity in Lebanon. His barbarous imprisonment is the longest endured by any of the 16 Western hostages still being held in that tragically ravaged land.

Anderson's kidnapers are Shite Muslim extremists under the influence of Iran.

Like all other forms of terrorism, the taking of hostages is at root and totalitarian act in that it cruelly denies the distinction between the guilty and the innocent. But holding hostages is particularly repellent because of the prolonged torment it inflicts on its victims and their families.

No grievance real or imagined, no injustice immediate or historic, no cause however selfless, no end however noble justifies the employment of such means.

We call on the kidnapers of Terry Anderson and the other 15 hostages to release them all immediately and without condition.

We call on the government of Iran to do what it can to bring this crime to an end.

We call on the Bush Administration to do everything prudence and decency will allow to set Terry Anderson and his fellow captives free.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is now closed.

CHILD CARE IMPROVEMENT ACT

The ACTING PRESIDENT pro tempore. The Senate will now resume consideration of S. 5, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 5) to provide for a Federal program for the improvement of child care and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Mitchell amendment No. 196, in the nature of a substitute.

Mr. DODD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. GRAHAM). Without objection, it is so ordered.

AMENDMENT NO. 201 TO AMENDMENT NO. 196

(Purpose: To provide for a perfecting amendment)

Mr. DOLE. Mr. President, I send an amendment to the desk to the Mitchell amendment.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE], for himself, Mr. PACKWOOD, Mr. DOMENICI, Mr. WILSON, Mr. DANFORTH, Mr. THURMOND, Mr. MCCONNELL, Mr. KASTEN, Mr. BOSCHWITZ, Mr. HEINZ, Mr. WARNER, Mr. GRASSLEY, Mr. GORTON, Mr. LUGAR, Mr. COATS, Mr. MURKOWSKI, Mr. LOTT, Mrs. KASSEBAUM, Mr. MCCLURE, Mr. MCCAIN, and Mr. GRAMM, proposes an amendment numbered 201.

Mr. DOLE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

Beginning on page 1, line 3, strike all through page 96, line 25, and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Working Family Child Care Act of 1989".

TITLE I—HEAD START ACT AUTHORIZATION

On page 97, line 1, strike "125" and insert "101".

Beginning on page 97, after line 4, strike all through page 112, line 6.

On page 158, after line 11, insert the following:

TITLE II—EARNED INCOME CREDIT

SEC. 201. INCREASE IN EARNED INCOME CREDIT.

(a) IN GENERAL.—Subsections (a) and (b) of section 32 of the Internal Revenue Code of 1986 are amended to read as follows:

"(a) ALLOWANCE OF CREDIT.—There is allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to the sum of the following amounts:

"(1) GENERAL CREDIT.—In the case of an eligible individual, an amount equal to 14 percent of so much of the earned income for the taxable year as does not exceed $5,714.

"(2) SUPPLEMENT FOR YOUNG CHILDREN.—

"(A) IN GENERAL.—In the case of an eligible individual with 1 or more qualifying children, an amount equal to the lesser of—

"(i) the applicable percentage of so much of the earned income for the taxable year as does not exceed $5,714, or

"(ii) $750 ($500 for an eligible individual with only 1 qualifying child).

"(B) APPLICABLE PERCENTAGE.—The term 'applicable percentage' means 12 percent (8 percent for an eligible individual with only 1 qualifying child).

"(b) LIMITATIONS.—

"(1) GENERAL CREDIT.—The amount of the credit allowable to a taxpayer under subsection (a)(1) for any taxable year shall be reduced (but not below zero) by 10 percent of so much of the adjusted gross income (or, if greater, the earned income) of the taxpayer for the taxable year as exceeds $9,000.

"(2) SUPPLEMENT FOR YOUNG CHILDREN.—The amount of the credit allowable to a taxpayer under subsection (a)(2) for any taxable year shall be reduced (but not below zero) by 15 percent (10 percent for an eligible individual with only 1 qualifying child) of so much of the adjusted gross income (or, if greater, the earned income) of the taxpayer for the taxable year as exceeds $10,000."

(b) QUALIFYING CHILD DEFINED.—Subsection (c) of section 32 of the Internal Revenue Code of 1986 is amended by adding at the end thereof the following new paragraph:

"(3) QUALIFYING CHILD.—The term 'qualifying child' means, for the taxable year, an individual—

"(A) with respect to whom the taxpayer qualifies as an eligible individual, and

"(B) who, as of the end of such taxable year, has not attained the age of 5."

(c) CONFORMING AMENDMENTS.—

(1) Subsection (f)(1) of section 32 of the Internal Revenue Code of 1986 is amended by inserting "(including separate tables for

individuals with qualifying children)" after "Secretary".

(2) Subsection (i) of section 32 of such Code is amended—

(1) by inserting "('calendar year 1990' for 'calendar year 1987' in the case of the dollar amount referred to in clause (iii) of paragraph (2)(B))" before the period at the end of paragraph (1)(B), and

(2) by striking paragraph (2) and inserting the following new paragraph:

"(2) DEFINITIONS, ETC.—For purposes of paragraph (1)—

"(A) APPLICABLE CALENDAR YEAR.—The term 'applicable calendar year' means—

"(i) 1986 in the case of the dollar amount referred to in clause (i) of subparagraph (B),

"(ii) 1987 in the case of the dollar amount referred to in clause (ii) of subparagraph (B), and

"(iii) 1991 in the case of the dollar amount referred to in clause (iii) of subparagraph (B).

"(B) DOLLAR AMOUNTS.—The dollar amounts referred to in the subparagraph are—

"(i) the $5,714 amount contained in paragraphs (1) and (2)(A)(i) of subsection (a),

"(ii) the $9,000 amount contained in subsection (b)(1), and

"(iii) the $10,000 amount contained in subsection (b)(2)."

(3) Subsection (b) of section 3507 of such Code is amended by striking "and" at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting ", and", and by inserting after paragraph (3) the following new paragraph:

"(4) states the number of qualifying children (as defined in section 32(c)(3)) of the employee for the taxable year.".

(4) Paragraph (1) of section 3507(c) of such Code is amended—

(A) by striking "and" at the end of subparagraph (A),

(B) by redesignating subparagraph (B) as subparagraph (C), and

(C) by inserting after subparagraph (A) the following new subparagraph:

"(B) on the basis of the number of qualifying children (as defined in section 32(c)(3)) of the employee for such period, and".

(5) Paragraph (2) of section 3507(c) of such Code is amended—

(A) by striking "paragraph (1)(B)" and inserting "paragraph (1)(C)", and

(B) by striking "14 percent" in subparagraphs (B)(i) and (C)(i) and inserting "the sum of 14 percent and the applicable percentage".

(6) Section 3507 of such Code is amended by adding at the end thereof the following new subsection:

"(f) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this section."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1990.

TITLE III—DEPENDENT CARE CREDIT

SEC. 301. DEPENDENT CARE CREDIT MADE REFUNDABLE; OTHER CHANGES.

(a) CREDIT MADE REFUNDABLE.—Section 21 of the Internal Revenue Code of 1986 is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

"(f) CREDIT REFUNDABLE FOR LOW AND MODERATE INCOME TAXPAYERS.—

"(1) IN GENERAL.—For purposes of this subtitle and section 6401, in the case of an applicable taxpayer, the credit allowable under subsection (a) for any taxable year shall be treated as a credit allowable under subpart C of this part.

"(2) APPLICABLE TAXPAYER.—For purposes of this subsection, the term 'applicable taxpayer' means a taxpayer whose adjusted gross income for the taxable year does not exceed $28,000.

"(3) COORDINATION WITH ADVANCE PAYMENTS AND MINIMUM TAX.—Rules similar to the rules of subsections (g) and (h) of section 32 shall apply with respect to the portion of any credit to which this subsection applies."

(b) ADVANCE PAYMENT OF CREDIT.—

(1) IN GENERAL.—Chapter 25 of the Internal Revenue Code of 1986 is amended by inserting after section 3507 the following new section:

"SEC. 3507A. ADVANCE PAYMENT OF DEPENDENT CARE CREDIT.

"(a) GENERAL RULE.—Except as otherwise provided in this section, every employer making payment of wages with respect to whom a dependent care eligibility certificate is in effect shall, at the time of paying such wages, make an additional payment equal to such employee's dependent care advance amount.

"(b) DEPENDENT CARE ELIGIBILITY CERTIFICATE.—For purposes of this title, a dependent care eligibility certificate is a statement furnished by an employee to the employer which—

"(1) certifies that the employee will be eligible to receive the credit provided by section 21 for the taxable year,

"(2) certifies that the employee reasonably expects to be an applicable taxpayer (within the meaning of section 21(f)(2)) for the taxable year,

"(3) certifies that the employee does not have a dependent care eligibility certificate in effect for the calendar year with respect to the payment of wages by another employer,

"(4) states whether or not the employee's spouse has a dependent care eligibility certificate in effect,

"(5) states the number of qualifying individuals (as defined in section 21(b)(1)) in the household maintained by the employee, and

"(6) estimates the amount of employment-related expenses (as defined in section 21(b)(2)) for the calendar year.

For purposes of this section, a certificate shall be treated as being in effect with respect to a spouse if such a certificate will be in effect on the first status determination date following the date on which the employee furnishes the statement in question.

"(c) DEPENDENT CARE ADVANCE AMOUNT.—

"(1) IN GENERAL.—For purposes of this title, the term 'dependent care advance amount' means, with respect to any payroll period, the amount determined—

"(A) on the basis of the employee's wages from the employer for such period,

"(B) on the basis of the number of qualifying individuals (as defined in section 21(b)(1)) in the household maintained by the employee,

"(C) on the basis of the employee's estimated employment-related expenses included in the dependent care eligibility certificate, and

"(D) in accordance with tables provided by the Secretary.

"(2) ADVANCE AMOUNT TABLES.—The tables referred to in paragraph (1)(D) shall be similar in form to the tables prescribed under section 3402 and, to the maximum extent feasible, shall be coordinated with such tables and the tables prescribed under section 3507(c).

"(d) OTHER RULES.—For purposes of this section, rules similar to the rules of subsections (d) and (e) of section 3507 shall apply.

"(e) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this section."

(2) CONFORMING AMENDMENT.—The table of sections for chapter 25 of such Code is amended by adding after the item relating to section 3507 the following new item:

"Sec. 3507A. Advance payment of dependent care credit."

(c) CERTAIN SUBSIDIZED EXPENSES NOT ELIGIBLE FOR CREDIT.—Section 21(e) of the Internal Revenue Code of 1986 is amended by adding at the end thereof the following new paragraph:

"(10) SUBSIDIZED EXPENSES.—No expense shall be treated as an employment-related expense to the extent such expense—

"(A) is paid, reimbursed, or subsidized (whether by being disregarded for purposes of another program or otherwise) by the Federal Government, a State or local government, or any agency or instrumentality thereof, and

"(B) is not includable in the gross income of the recipient."

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in this subsection, the amendments made by this section shall apply to taxable years beginning after December 31, 1989.

(2) ADVANCE PAYMENT OF CREDIT.—The amendments made by subsection (b) shall apply to taxable years beginning after December 31, 1991.

(3) ONLY PORTION OF CREDIT REFUNDABLE IN 1990.—In the case of any taxpayer to whom section 21(f) of the Internal Revenue Code of 1986 (as added by subsection (a)) applies for any taxable year beginning in 1990—

(A) 50 percent of the amount of the credit allowable under section 21(a) of such Code for such taxable year shall be treated as a credit allowable under subpart C of part IV of subchapter A of chapter 1 of such Code, and

(B) the remaining 50 percent of the amount of such credit shall be treated as a credit allowable under section 21 of such Code.

SEC. 302. STUDY OF ADVANCE PAYMENTS.

(a) IN GENERAL.—The Comptroller General of the United States shall, in consultation with the Secretary of the Treasury, conduct a study of advance payments required by section 3507A of the Internal Revenue Code of 1986 (as added by section 201(b)(1)) to determine—

(1) the effectiveness of the advance payment system, and

(2) the manner in which such system can be implemented to alleviate administrative complexity, if any, for small business.

(c) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Comptroller shall report the results of the study conducted under subsection (a), together with any recommendations, to the Committee on Finance of the United States Senate and the Committee on Ways and Means of the House of Representatives.

SEC. 303. PROGRAM TO INCREASE PUBLIC AWARENESS.

Not later than the first day of the first calendar year following the date of the enactment of this Act, the Secretary of the Treasury and the Secretary of Labor, or the

delegates of the Secretaries, shall establish a taxpayer awareness program to inform the taxpaying public of the availability of the credit for dependent care and the earned income tax credit allowed under sections 21 and 32 of the Internal Revenue Code of 1986, respectively. Such public awareness program shall be designed to assure that individuals who may be eligible are informed of the availability of such credits and filing procedures. The Secretary shall use public service and paid commercial advertising, direct-mail contact, and any other appropriate means of communication to carry out the provisions of this section.

TITLE IV—BLOCK GRANT TO STATES FOR CHILD CARE SERVICES

SEC. 401. ESTABLISHMENT OF BLOCK GRANT.

The State Dependent Care Development Grants Act (42 U.S.C. 9871 et seq.) is amended—

(1) by inserting after the subchapter designation the following:

"PART 1—DEPENDENT CARE PROGRAMS"; AND

(2) by adding at the end thereof the following new part:

"PART 2—BLOCK GRANT TO STATES FOR CHILD CARE

"SEC. 670I. AUTHORIZATION OF APPROPRIATIONS.

"For the purpose of making allotments to States to carry out the activities described in section 670L, there are authorized to be appropriated $400,000,000 for each of the fiscal years 1990 through 1994.

"SEC. 670J. ALLOTMENTS.

"(a) FORMULA.—

"(1) IN GENERAL.—The Secretary shall make an allotment to each State for each fiscal year, in an amount that bears the same ratio to the amount appropriated under section 670I for such fiscal year as the allotment figure of paragraph (2) for such State bears to the allotment figure for all States.

"(2) ALLOTMENT FIGURE.—The allotment figure for a State shall be the sum of—

"(A) the number of children who are under the age of 13 who reside in such State divided by the number of children who are under the age of 13 who reside in all States; and

"(B) the relative per capita income of the State multiplied by the factor determined under subparagraph (A) for such State.

"(3) DEFINITION.—For purposes of this section, the term 'relative per capita income' means—

"(A) the quotient of the per capita income of the United States divided by the per capita income of the State; or

"(B) in the case of Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Trust Territory of the Pacific Islands, the Commonwealth of Puerto Rico, or the Virgin Islands, the quotient shall be considered to be 1.

"(b) ADDITIONAL ALLOTMENT.—

"(1) METHOD OF ALLOTMENT.—Any amounts not allotted under subsection (a) shall be allotted among each of the States in proportion to the amount otherwise allotted to such States for such fiscal year under subsection (a).

"(2) DEFINITION.—For the purposes of this subsection, the term 'State' does not include Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

"SEC. 670K. PAYMENTS UNDER ALLOTMENTS TO STATES.

"(a) IN GENERAL.—The Secretary shall make payments from amounts made available for each fiscal year pursuant to section 670I, as provided by section 101 of title 31, United States Code, to each State in an amount (not to exceed its allotment under section 670J for such fiscal year) equal to the Federal share of the aggregate amount to be expended by the State under the State plan for such fiscal year.

"(b) FEDERAL SHARE.—The Federal share for each fiscal year shall be 85 percent.

"(c) STATE SHARE.—The State share shall equal 100 percent minus the Federal share.

"(d) CARRYOVER.—Any amount paid to a State for a fiscal year and remaining unobligated at the end of that year shall remain available, for the next fiscal year, to the State for the purposes for which the payment to the State was made.

"SEC. 670L. USE OF ALLOTMENTS.

"(a) PROJECT GRANTS.—Amounts paid to a State under section 670C shall be used by the State to make grants to eligible entities to enable such entities to conduct activities to improve the quality and availability of child care in such State.

"(b) ACTIVITIES.—Activities described under subsection (a) may include—

"(1) State and local resource and referral systems to provide information on child care services including, information on their availability, types, costs, and location;

"(2) activities to provide consumer education to enable individuals to select high quality child care services;

"(3) activities to improve the development, modification and enforcement of State and local child care standards and requirements;

"(4) training and technical assistance for child care providers and workers to improve their ability—

"(A) to comply with State and local health and safety standards and requirements;

"(B) to detect communicable diseases;

"(C) to detect and to prevent the abuse of children;

"(D) to use effective budget and accounting procedures;

"(E) to take full advantage of beneficial tax laws;

"(F) to reduce liability risks; and

"(G) to take any other actions designed to improve the quality of the child care services provided by such providers;

"(5) recruitment and training programs to increase the number of child care providers and volunteers, including the number of seniors who provide child care services;

"(6) activities to encourage the innovative development of before and after school care;

"(7) loan or grant programs for the renovation or modification of existing structures to meet State and local health and safety standards and requirements;

"(8) activities to reduce barriers to obtaining affordable liability insurance, such as the formation of child care liability risk retention groups;

"(9) activities to encourage the development of employer-assisted child care;

"(10) providing tax credits to low income working families with children, including two parent families in which one parent cares for the children of such family at home;

"(11) activities to increase child care services for children who are sick and temporarily unable to be cared for by their regular child care provider;

"(12) activities to increase the supply of child care services for children of individuals who are employed during non-traditional times of the day or week; and

"(13) activities to increase the supply of child care services to help meet the needs of special populations including children who are homeless, migrant, disabled, abused, neglected, or children of minors.

"(c) LIMITATIONS.—A State shall not use amounts paid to, or on behalf of it under section 670K to—

"(1) make cash payments to, or on behalf of, intended recipients of child care services;

"(2) pay for all or any part of the salaries of child care providers or their employees or staff or otherwise to pay for the operating costs of providing child care services;

"(3) pay for the costs of construction or land acquisition; or

"(4) satisfy any requirements for the expenditures of non-Federal funds as a condition for the receipt of Federal funds.

"(d) TECHNICAL ASSISTANCE.—The Secretary may provide technical assistance to States in planning and operating projects and activities to be carried out under this part.

"(e) STATE ADMINISTRATION.—Not to exceed 7 percent of the total amount paid to a State under section 670K for a fiscal year shall be used for administering the funds made available under such section. The State shall pay from non-Federal sources the remaining costs of administering such funds.

"SEC. 670M. APPLICATION AND STATE PLAN.

"(a) SUBMISSION.—

"(1) IN GENERAL.—To receive an allotment under section 670J, each State shall submit an application to the Secretary in such form, containing such information, and by such date as the Secretary shall require.

"(2) PLAN.—Each application submitted under paragraph (1) shall contain a plan that meets the requirements of subsection (b).

"(b) STATE PLAN.—Not later than 12 months after the date of enactment of this section, each State desiring to participate in the program authorized under this part shall prepare and submit to the Secretary a State plan. Each such plan shall—

"(1) describe the State agency that will administer the programs authorized under this part;

"(2) describe the authorized activities for which assistance is sought under this part;

"(3) provide assurances that the State will not expend in excess of 7 percent of the State allotment under section 670J during each fiscal year for administrative costs;

"(4) provide assurances that the State will give priority to activities that serve low-income areas and populations in accordance with criteria to be determined by the Secretary;

"(5) provide assurances that the State will coordinate the child care activities carried out with funds provided under this part with other Federal and State child care activities undertaken in the State through Federal or State programs;

"(6) provide such fiscal control and accounting procedures as may be necessary—

"(A) to ensure the proper accounting of Federal funds paid to the State under this subchapter; and

"(B) to ensure the verification of reports required under this subchapter; and

"(7) provide such additional assurances as the Secretary may reasonably require.

"SEC. 670N. REPORTING REQUIREMENTS.

"(a) STATE REPORTS.—Not later than 12 months after a State receives funds under this subchapter, and at 12-month intervals thereafter, the chief executive officer of such State shall prepare and submit to the Secretary, in such form as the Secretary

shall prescribe, a report describing the States' use of funds received under this part.

"(b) REPORT TO CONGRESS.—Not later than 6 months after the receipt of State reports required under subsection (a), and at 12-month intervals thereafter, the Secretary shall prepare and submit, to the appropriate Committees of Congress, a report containing a summary of the information contained in the State reports submitted under subsection (a), and any additional information the Secretary considers appropriate.

"SEC. 6700. DEFINITIONS.

"As used in this part:

"(1) ELIGIBLE ENTITY.—The term 'eligible entity' includes providers of child care services, and would not exclude religiously-affiliated providers.

"(2) SECRETARY.—The term 'Secretary' means the Secretary of Health and Human Services.

"(3) STATE.—The term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.".

TITLE V—TREATMENT OF CHILD CARE EARNINGS

SEC. 501. CHILD CARE EARNINGS EXCLUDED FROM WAGES AND SELF-EMPLOYMENT INCOME FOR EXCESS EARNINGS TEST.

(a) WAGES.—Section 203(f)(5)(C) of the Social Security Act (42 U.S.C. 403(f)(5)(C)) is amended—

(1) by striking out "or" at the end of clause (i),

(2) by striking out the period at the end of clause (ii) and inserting in lieu thereof ", or", and

(3) by adding at the end thereof the following new clause:

"(iii) the amount of any payment made to an employee who has attained retirement age (as defined in section 216(l)) by an employer for child care services (including indirect services) performed by such employee after the month in which such employee initially becomes entitled to insurance benefits under this title.".

(b) SELF-EMPLOYMENT INCOME.—Section 203(f)(5)(D) of such Act (42 U.S.C. 403(f)(5)(D)) is amended—

(1) by striking out "or" at the end of clause (i),

(2) by adding "or" at the end of clause (ii),

(3) by inserting immediately after clause (ii) the following new clause:

"(iii) an individual who has attained retirement age (as defined in section 216(l)) who has become entitled to insurance benefits under this title, any income attributable to child care services (including indirect services) performed after the month in which such individual becomes entitled to such benefits,", and

(4) by striking out "royalties or other income" and inserting in lieu thereof "royalties or income".

(c) PAYMENTS OF CERTAIN RECOMPUTED BENEFITS DELAYED.—Section 215(f)(2) of the Social Security Act (42 U.S.C. 415(f)(2)) is amended by adding at the end thereof the following new subparagraph:

"(E) Under regulations of the Secretary, monthly benefits increased as a result of a recomputation under this paragraph shall be further increased on an actuarial basis to include such benefits which would have otherwise been paid in a lump sum (determined from the recomputation date to the effective date of such recomputation as provided under subparagraph (D)) as exceed an amount equal to such additional benefits determined for a thirteen month period beginning from such recomputation date.".

(d) EFFECTIVE DATES.—

(1) The amendments made by subsections (a) and (b) shall apply to wages or income earned after December 31, 1989.

(2) The amendment made by subsection (c) shall apply to recomputations made after December 31, 1989.

Mr. DOLE. Mr. President, this is the amendment that we have been discussing indirectly for the past couple of days and may discuss for a couple days, today and tomorrow, at least part of tomorrow.

I would add, in addition to myself, the cosponsors: Senators PACKWOOD, DOMENICI, WILSON, DANFORTH, THURMOND, MCCONNELL, KASTEN, BOSCHWITZ, HEINZ, WARNER, GRASSLEY, GORTON, LUGAR, COATS, MCCLURE, MURKOWSKI, LOTT, KASSEBAUM, and MCCAIN. There will be additional cosponsors, and we invite our colleagues on both sides of the aisle to take a look at this proposal and hopefully cosponsor the proposal.

I think first of all we have to ask ourselves what do the American families want, what do American parents want for their children.

I think we can say without any disagreement they want commonsense solutions to the very real child-care challenge.

We can argue over some of the technical details, and we can differ on some of the facts and figures, but I believe the American people are absolutely convinced of what they want and what they do not want.

When it comes to deciding who is going to watch their children, the last thing they want is the Federal Government with some lead State agency sticking its nose into their lives.

American families are demanding maximum choice and flexibility without Washington or their State legislatures telling them what they have to do, and they do not want big Government telling them their children cannot stay with grandma because she does not meet certain standards or that their local church or synagogue is off limits because it flunked some bureaucrat's test on some religious standard.

I think it is just very simple. The American people do not want mandates. They want flexibility. They do not want more red tape. They do not want another bureaucracy. We are about to create a super one here that starts off with $7 million, if the report is accurate, although the report has been totally rewritten, I guess. They do not want another penny of their hard-earned tax dollars going down another money-eating bureaucratic sinkhole.

I believe working Americans can smell Government bureaucracy a mile away and they are starting to smell a whopper in the making right here on Capitol Hill, the brand name big time bureaucracy that will grow and grow and grow and grow from the ABC child-care proposal, which has been watered down; some will say it is so watered down they cannot support it any more.

I think the Senator from Indiana [Mr. COATS] put a letter in the RECORD yesterday of former groups that supported the ABC bill which now are withdrawing their support. If that has not been made a part of the RECORD, we will see that that happens.

Let us face it, the ABC bill does not stand for Act for Better Child Care, it stands for Act for Bureaucratic Control. And we want to make that case and we intend to make that case today, tomorrow, next week. This is important. We are talking about our children. And we are talking about which way do we want to go.

Do we want parents to make the choice or do we want somebody else to make the choice, somebody else to ration child care? Whatever it may be. I think the record is clear as far as families served, there will be many times more families served under our proposal than under the so-called ABC proposal, at $1.75 billion.

We can try to mandate how Americans drive their cars and how they run their businesses. But we had better not try to tell them how to take care of their children.

On another point, I am not about to sign on to some bill that says, yes, working parents, yes, you deserve tax credits, tax refunds and a pat on the back. But you, the mother who is staying at home with the kids, sorry, you do not deserve a penny's worth of assistance. And they do not get any under the other bill. That is discrimination in my book, and we hear a lot about it on the Senate floor from some who will oppose what we propose to do today.

It seems to me that we have to make a choice. We have to determine who we are trying to help. Are we trying to help some powerful special interest lobbying group inside the Beltway? Big labor unions inside the Beltway, who have a lot of muscle? The so-called children's defense fund?

I do not know how many people in my State knew much about the children's defense fund; they do not know about the power they have—the hypnotic power, in some cases, they have over what we do on some of these issues.

My view is we ought to try to help as many people as we can, families, children, and they ought to be low income. That is the goal of our legislation.

According to experts, in excess of 5 million American families benefit from the kind of flexibility and wide range

of family options this child-care package provides. I would say at the outset, I would hope, Senator HATCH and Senator KENNEDY, Senator DODD, and others, somehow we can bring all this together and find a child-care proposal. It is important legislation. We debated this last year. It became part of a big political package with a whole number of issues in it and it was said we ought to pass all this before we adjourn.

Obviously, we were not going to do that. We did not do that. I said at that time that both Presidential candidiates had taken a position on child care. We ought to watch debate. We ought to see who wins the election.

The last time I checked, George Bush was the winner. And George Bush stated his position on child care very clearly. He did not like the ABC bill. He wanted credits; he wanted flexibility; he wanted parents to make the choice.

So our amendment is pretty simple and straightforward. It addresses the concerns about the ABC substitute which have been expressed on the floor of this Senate in the last few days.

No. 1, I do not know how many child care bills there are, but nearly every one that deals with credits has this feature. We provide for refundability of the existing dependent care credit. That is not unique to our bill. It is in the other bill. It is in the so-called Bentsen substitute. It is in a lot of other bills introduced by Republicans and Democrats.

We create a young child supplement to the earned income tax credit. That is the second portion of our bill. And those are the two big areas. It is that simple. We have two big areas. Then we also add $40 million to the existing dependent care block grant. And we incorporate an amendment authored by Senators ARMSTRONG and ROTH to exempt earnings from providing child care from the Social Security earnings limit. That is also in our package.

What is unique about this package? This package provides assistance to all poor families with young children, not just those families who use professional day-care services or have access to employer-subsidized health care. Because the majority of our assistance is provided to families and not to States or institutions; to poor parents—let us underline that—poor parents. I have heard a lot of rhetoric from the other side about the minimum wage and working poor and poor parents. Under our bill, poor parents will have the same rights as wealthy parents to decide which child-care option best meets their family needs without foregoing needed Federal support.

Unlike the Mitchell substitute, this amendment does not discourage parents from entrusting their children to the care of a relative, trusted friend, or neighbor, or from providing that care themselves. I recognize the distinguished Senator from Connecticut [Mr. DODD], along with others who support his proposal, have made a limited exemption for grandparents, aunts, and uncles age 18 and over in providing child care by making them eligible for reimbursement.

But under the ABC language, they could only be reimbursed for that care through a contract grant or certificate. To use other informal providers would be even more difficult. And when we start dealing with a contract grant or certificate, we are dealing with somebody in the bureaucracy.

Where are we going to get the grant? Where are we going to get the contract? Where are we going to get the certificate? From some State agency? Some "lead agency" designated by the State? Some bureaucrat who is going to decide whether this grandparents or this aunt or this uncle qualifies?

Let us face it, they are not going to cover but a fraction under their bill, a fraction of the children, who ought to have some attention.

To use other informal providers would be even more difficult. ABC still precludes the use of other relatives, friends, neighbors, other informal providers unless the State rules—the State rules. Here we are again, the bureaucracy, the State—rules on each individual case that the person is an eligible child-care provider.

So, in my hometown of Russell, KS, I assume, if this bill passed we would have to go to Topeka, KS, or somebody do it for us, to get somebody's permission for some friends or relative to provide day care for someone. And, in many cases, we are dealing with people who would not know what to do, they would not know how to proceed and they would not do anything. There would not be anybody there to help them either unless we are going to send out more bueaucrats to Russell, KS, and every other little town in America to make certain everybody undersands their rights under the ABC bill.

Then we have to be certain that his or her home meets the standards. What standards? Who is going to set the standards? The parents? Oh, no, not the parents. Forget about the parents. They are going to turn them over to the State or some other bureaucracy.

The person submits to Government grant contract or other paperwork requirements.

Again, we are not dealing with Philadelphia lawyers or people who in many cases have finished a college education. We are dealing with poor people with children who are very important to them and to society. And that is why child care is important. The process for using informal providers is so burdensome and time consuming that the States hardly seem likely to encourage their use. Are many parents likely to be able to wade through the process or many informal providers likely to accede to it?

So in effect we are saying: Well, we have this in there but you have to do all this, you have to go through all this red tape. And it is red tape. Before you can benefit.

So, it seems likely, then, that most parents who receive assistance from the State under ABC will be faced with selecting a caretaker from a list of providers already approved by the State and that these providers are likely to be institutional rather than family based care providers.

If that is the goal of the ABC legislation, institutional care, let us say so.

There is another very important feature about our compromise and I hope many of my colleagues on the other side, particularly those from the South, are listening. We also avoid the very serious church-state problem that has been discussed with respect to the ABC bill. The provision included in the Mitchell substitute designed to address the church-state controversy still leaves the issue largely unresolved and clearly subject to court challenge. This provision offers absolutely no guidance to religiously based child care centers who provide services through the certificate program. It leaves religiously based centers entirely in the dark when it comes to resolving the difficult first amendment issues involved here.

It does not specify the types of activities and arrangements that are permissible and the type of activities and arrangements that are impermissible. So that is just all fuzzed up in the ABC bill.

This lack of guidance is an open invitation to litigation. And litigation, often expensive litigation, will force many religiously based centers to spend more time and more resources defending lawsuits than providing child care services. Is that what we want? Do we want the church or the synagogue to be in court or providing child care? Let us talk about what is going to happen in the real world, not on the Senate floor, but in somebody's home somewhere in America if the ABC bill passes. In this case, the cure would be worse than the disease.

The Mitchell amendment is also seriously flawed in another way. While the amendment claims, and there are a lot of claims in the amendment and a lot of claims on the amendment made on the floor, while the amendment claims to expand the child-care choices available to families, it would be available only in those States that specifically authorize the certificate option. But the amendment contains no provision requiring States to authorize a certificate option and such

requirement is particularly important since some 13 States, and I will include those States for the RECORD, now exclude religious centers from the child-care center licensure laws.

(Mr. KERREY assumed the chair.)

Mr. DOLE. So what are we going to do? I know that the Senator from Connecticut and the Senator from Massachusetts and the Senator from Utah have spent hours, weeks, and months and they have retreated, retreated, and retreated on one provision after another trying to come together with enough votes to get this out of the Senate Chamber. The House, as I understand it, is adopting maybe a little different approach, several approaches, Kiddie Care, and Smart Start and other programs, in addition to some support for the ABC approach, and a lot of support, I might say, on the House side for credits.

If we are interested in child care, it is not enough to stand up here and criticize the other product or criticize the competition. If we believe we have a better product and if we are serious about child care—I might add parenthetically, some of these child-care lobbyists are not interested in child care unless you are for their bill. You cannot have any interest for children unless you are for the ABC bill. That is not the case. There are a lot of Members on both sides who have reservations about any child-care bill. I could add that, too.

So we have tried to come up with a responsible alternative. The Senator from New Mexico, the Senator from Oregon, the Senator from California, a number of Senators who had child-care proposals and who have their own ideas and I believe they are the best features of the child-care initiative that have been discussed and debated, I believe those are included in our alternative.

First, in making the current dependent care tax credit refundable, many working poor families with documentable child-care expenses can finally take advantage of the dependent care tax credit, even if their tax liability does not exceed the amount of the credit allowable to them.

Keep in mind, though, dependent care tax credit, a lot of poor people do not keep records. I do not know how many have been estimated—maybe we can find out—how many families will not even get the dependent care tax credit refund even though it is going to be refundable because they do not keep records. This will help some. Even though they do not pay taxes, they are going to get a refundable tax credit. Moreover, these families will receive their dependent care credits in each paycheck. You do not have to wait until the end of the year or file a tax return: They are going to get it in each paycheck when they need it rather than the following year when their tax returns would be filed.

Second, the supplement to the earned income tax credit which would be available to all working poor families with children under age 5, very young children, pose special child-care burdens on parents, and this is also the time when some experts argue that the constancy and quality of child care are most critical. Accordingly, some parents remain at home during these formative years by choice. I know the majority of women are now in the workplace. Does that mean we have to discriminate against those who want to stay home and care for their children either by choice or by necessity?

The earned income tax credit does help the poor. There are a good many parents in this country who are themselves disabled or have a child with disability who stays at home. The so-called ABC bill does nothing for the family whose child stays at home nor does the existing DCTC dependent tax credit.

So we say, what can we do to help that family? What can we do to provide some relief? Not as much as some would like, but we are starting. The comparison of the ABC bill, is like day and night. Our amendment provides assistance to all such families—all such families—with incomes less than $15,000 per year if at least one parent works along with approximately 55 percent of poor families where both parents work, or there is a single parent. That is a big, big difference. If you want to reach the poor people and poor families with children, with annual incomes under $15,000 who do not have documentable child-care expenses because their child care is provided by a neighbor, friend, or relative including perhaps a parent, the earned income income tax approach is the right one. It makes certain, in fact it is one we ought to look at if we talk about doing something on minimum wage, if we want to help the working poor, let us help the working poor.

Yesterday the distinguished Senator from Utah cited examples on the Senate floor which demonstrate many working poor families cannot afford professional child care. I think those examples explain graphically why the majority of these poor families cannot take advantage of the dependent care tax credit. Institutional day care, the type relied upon the Mitchell substitute as the predominant means of providing child-care assistance to these families, will likely remain out of their reach. How many are going to be available? I think the figure is 18 million children who might be eligible. How many is the ABC bill going to take care of 1 million. Seven hundred thousand? That leaves quite a few.

The President of the United States has indicated his interest, and it was not a partisan interest. It was an approach that he believed, based on his experience, was the right way to go. The President's bottom line is we are going to give assistance to families with no strings attached. And all the critics say, how do you know they are going to spend it on child care? They might go out and buy something else with it. And that might happen in some cases. We have seen it happen. We have seen the families fall apart; we have seen the drug problems; we have seen a lot of things where the family distintegrated. But what percent? I do know. But the President is willing to take the risk rather than to create another bureaucracy. He is willing to take the risk for the parents and the children. So he decided there ought to be some kind of a credit that should not be tied to anything, should not be tied to documentable expenses for either child care or health care.

Our supplement to the earned income tax credit replaces the Bentsen child health credit which benefits only parents who specifically pay for family health insurance.

This thing just cropped up last week and now we are out here saying, "Oh, what a great idea this is to reimburse parents who have already bought health insurance." Who is it going to help? Nobody, or very few.

The Bentsen credit does little or nothing for those poor families who may not be able to afford the $2,000, $3,000 for coverage. Our proposal provides a credit that parents can use for any purpose including health insurance, allowing them to make the choice as to what is most important.

Frankly, one of the major concerns with the proposed Bentsen child health care credit is that it completely excludes many poor families without access to employer-based or otherwise inexpensive health care.

There is a provision. We had a hearing that lasted a couple of hours. And it is not a small proposal, about a billion and a half dollars. Just float it out there. That is plenty for a billion and a half.

If we are going to spend money, we will have a hearing. So we had a hearing. We were not even going to have a hearing until somebody requested it. They rammed it through the Senate Finance Committee in about 45 minutes on a party line vote and nobody knows, nobody can tell us what will happen. We hope to tell you later in this debate.

I might say to my colleagues we are going to take quite a bit of time to discuss our proposal today. Then we will be happy to get debate on the merits of the two. We want to lay out the framework for ours today if we can.

We want to show you what we can buy in Maine or Iowa or Massachusetts or Kansas or Utah or Connecti-

cut or Nebraska with this health care subsidy. In most cases the cost of family health coverage is prohibitive to poor families whose employers do not subsidize their coverage. For example, a young family in Kansas can obtain basic health care insurance from Blue Cross and Blue Shield with a minimum deductible of $500 for approximately $110 per month or $1,320 per year. With a $500 deductible, this comes to about $1,820 per year. If that family earns $8,000 per year, their health insurance cost would consume 23 percent of their income.

Think about it. Are they going to take 23 percent of their income and buy health care insurance because they are going to get a little subsidy from the Federal Government? The child health care credit would reduce this cost to 17½ percent so they get that little credit. Instead of spending 23 percent, they are going to spend 17½ percent of their total income. I do not consider this insurance affordable. It is not affordable.

I might also add that Kansas is a low-cost area. We will have other examples from around the country to show you even more clearly how ridiculous this approach would be. If true affordable coverage becomes available in the private market, as the chairman of the Finance Committee believes it will, these poor families will have a $500 credit with which to purchase it. If it does not, these families will still have a $500 credit with which to purchase child care, indeed, medical services. We will not be betting their needed Federal dollars on the insurance industry. This is the difference. You have to get insurance.

The insurance people love it. Why not? They did not even have to testify. We are not going to bet on the insurance industry and hope they will come up with some program. I have a lot of confidence in the chairman of the Finance Committee but not in this particular amendment.

So our bill is easily understood and not very easily picked apart, unless you want to say that parents should not have the choice. I guess there are some who are going to stand up and say that; they are going to say this is not going to work; you are crazy to give money to the parents. It is only their children you are talking about. Why trust them? We have to go through this convoluted process, create a new Assistant Secretary for Day Care, give them a $7 million budget to start off, then get a leadoff agency in every State created. Oh, boy, give this 10 or 15 years and they will be bigger than the Federal Elections Commission or HHS itself.

There is one other provision that I think is worthy of noting. We have $400 million a year for the State Dependent Care Block Grant Program to assist States in meeting their particular child-care needs. There are not going to be a lot of bells and whistles. We are just going to make these funds available to the States. We do not set up any new office in HHS. We do not require the States to do the same. We also leave it entirely to the States as to what they want to do with respect to the standards. The funds from the block grant can be used for a wide variety of programs including resource referral and consumer education, recruitment and training and technical assistance of providers, establishing liability risk pools, which was a concern of the distinguished Senator from Missouri [Mr. BOND] and many others on both sides of the aisle, and other incentives for employer assistance care, developing programs for children with special needs, and establishment and enforcement of State standards, and this list does not include all permissible uses of these funds.

But I will tell you what they cannot be used for. They cannot be used to build institutional day-care facilities or directly subsidize the provision of day-care services. In contrast to the Mitchell substitute, however, most families without access to centralized day-care facilities or maybe do not choose to use them will not be out of luck.

Finally, we are going to seek to tap a special resource when it comes to taking care of children. In fact, I watched a program just this past week on one of the networks—I cannot remember which one—about the resource of senior citizens and adults and their relationship and their rapport with young children and what a resource it is we have not tapped in America in many cases. So we are going to try to tap this special resource, retired adults aged 65 to 69 for child care.

The amendment exempts earnings from the providing of child-care services from the Social Security earnings limit and those senior citizens who choose to continue in the work force will not be subject to penalty taxes of 50 percent to 100 percent or more if they devote their energies to children. Not a bad idea. I wish I had thought of it. Senator ARMSTRONG of Colorado and Senator ROTH of Delaware believed this would be the way to go. I believe that this incentive will prove beneficial to both the children and the adults.

Mr. President, before yielding to the Senator from New Mexico and others who want to speak, our amendment does meet the basic criteria for federally supported child care which were made by the President and which are important to many of us in the Chamber. It targets child-care assistance to all poor parents regardless of their particular family circumstances, and it allows those parents to choose from an expanded array of child-care options. I believe this is the best use of our Federal dollars.

I indicated early a list of 13 States with reference to the religious question. Alabama, Florida, Georgia, Illinois, Indiana, Maryland, Mississippi, Missouri, New Jersey, North Carolina, North Dakota, South Dakota, and Virginia.

I am advised the Bentsen credit was not a straight party-line vote. There were some Republicans.

I ask unanimous consent to include in the RECORD, and then I will yield the floor, an excellent op-ed piece in today's Washington Post by Senator PACKWOOD, "Keeping Parental Choice in Child Care."

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

[From the Washington Post, June 21, 1989]

KEEPING PARENTAL CHOICE IN CHILD CARE

(By Bob Packwood)

A heated philosophical debate is going on in the Senate over the question of child care. It is not about the need for child care in this country. Nor is it about whether the federal government has a role to play. We crossed that threshold long ago; in fact, last year federal funding of child care reached almost $7 billion. The current controversy focuses on how to expand the federal government's role in child care.

There are two approaches under consideration, and they are as different as night and day. The approach taken in the Act for Better Child Care (ABC) would give federal funds to states to subsidize child care. The other, bipartisan, approach, to be introduced this week by myself and others, maximizes parental choice by providing tax credits to parents. The differences between these two approaches are most striking in four areas;

Standards: One of the primary goals of ABC proponents is to set national standards that states would be required to meet to receive federal funds. Supporters of the bill have temporarily backed away from federal standards and instead have agreed to set up a national commission to develop "model standards" on everything from the educational background of a care-giver to the size of the yard in which children may play.

Federally mandated standards on child care are the wrong approach. States, not the federal government, are in the best position to know what kind of standards are appropriate for their own needs. Different parts of the country have different child-care needs based on economic, geographical, cultural and other factors. Our alternative has no federally mandated child-care standards, model or otherwise. Instead, states would have maximum latitude to set their own standards. A $400 million annual increase in State Dependent Care Development Grants would be provided to help states improve the quality and availability of child care.

Treatment of religious day care: Many parents send their children to day care sponsored by their church, synagogue or other religious institution. Some religious teaching may be involved. The ABC bill, which has as its cornerstone the direct payment of federal funds to care-givers, has a constitutional problem because the First

Amendment prohibits direct support of religion by the government.

The original ABC bill included a provision that no ABC money can be used for any religious purpose. This created a new problem: What about relatives who provide child care and have religious pictures on the wall or read the Bible to their grandchild or niece? To address this concern, the ABC bill was modified to exempt relatives from religious care restrictions. In addition, to gather more support, the ABC bill was changed to let other types of religious care receive ABC funds indirectly through certificates. No one knows whether these exceptions are constitutional. The harsh reality is that parents could well be foreclosed from choosing religiously oriented care for their children. Although proponents of the ABC bill have partially addressed these problems by adding a tax-credit component to their bill, the fundamental constitutional issue is unresolved.

Our alternative raises no constitutional issues because it subsidizes child care only through tax credits to parents. Parents can pay the provider of their choice, religious or otherwise.

How to fund child care: The ABC bill sets up a new program to be administered by the federal government. Federal funds would flow through the states to child-care providers. Up to 30 percent of the ABC funds could go to administering the system. Parents may or may not get their first choice of a care-giver; this would be determined by the state government.

Under our alternative, federal funds would go directly to low-income families by making the dependent-care tax credit refundable and adding a refundable young-child supplement to the present earned income tax credit. Refundable credits allow the government to give tax refunds to families with modest means that owe no federal income taxes.

The young-child supplement would apply to families with modest incomes having at least one child under age 5. The supplement would equal $500 for one child and $750 for two or more children under that age. Both tax credits would be paid in advance in the parent's paycheck, thereby making the money immediately available for child care bills when they come due.

Benefits provided bo homemakers: Frequently we are asked by our constituents why federal child-care benefits should not also go to families that have modest incomes and young children but may not have work-related child-care expense because a parent or other relative cares for the children. Our alternative would assist these families through the young-child supplement.

The question boils down to this: Do we want to spend child-care funds in the least obtrusive way possible, with the fewest regulations, tilting toward parental choice, neutral toward religious child care and that helps both homemakers and non-homemakers? Or do we want to approve legislation that is regulatory, antireligious and bureaucratic? When you compare the flexibility and benefits provided by our alternative, there is no question in my mind.

Mr. DOLE. I would also include in the RECORD at this point the statement of administration policy which was made available this morning and should be available to everyone. I would just highlight what the statement says and ask it be made a part of the RECORD.

The administration supports child care legislation that is consistent with the following principles established by the President: Assistance should go directly to the parents who are best able to make decisions about their children. Parents and not the Government should choose the child care they consider best. Federal policy should increase, not decrease, the range of choices available to parents.

That is what we do with the credit.

New Federal support for child care should be targeted to families most in need, and that is what we do with the earned income tax credit.

Federal policy should not discriminate against two-parent families, and we do not do that either in our proposal. If you have a stay-at-home mother, that is fine. It may be a necessity. Maybe it is because she wants to. Are you going to discriminate against her because she is not in the work force? That is not the President's idea of sound legislation.

The administration also indicates that S. 5, the modified, remodified, and remodified S. 5.

* * * puts its trust in government, not parents. Assistance does not go directly to parents. It is provided to States, which have the ultimate decision-making power on the care children will receive—whether the care is provided under contracts, grants, or certificates.

S. 5 provides assistance to two-parent families only when both parents are employed, perpetuating the current discrimination against those families which sacrifice income so that one parent can work at home to care for their children.

I did not know there was anything wrong with that. Apparently there is. A lot of those stay-at-home mothers feel strongly about this provision.

S. 5 decreases the range of child care choices available to parents.

S. 5 is not well targeted and would serve only a fraction of families most in need. One million children, at most, would receive subsidies in 1990, and they could be from families with incomes more than four times the poverty level.

I thought we were supposed to help those who could not afford it.

In addition, S. 5 sets up a huge bureaucracy with significant administrative overhead costs that will reduce the monies available to parents.

I will just highlight what the administration considers to be flaws in the so-called Mitchell substitute.

It provides direct assistance through tax credits only to families who pay for child care and health insurance.

That is DCTC and the Bentsen proposal.

It does not resolve the Church-state problem.

They may say it does, but it does not.

The substitute retains the requirement that care be non-sectarian in nature and content. New language indicates that care subsidized through State-issued certificates is not subject to this requirement if it comports with constitutional law. The Mitchell substitute merely states a truism: that no government monies may be awarded in violation of the Establishment Clause of the First Amendment of the Constitution. The new language does not eliminate the bill's fundamental problem—that religiously affiliated child care providers participating in a certificate program will be subjected to expensive, intrusive and invasive litigation and government regulation.

The Mitchell substitute "retains the biases in favor of institutional care and against care provided by informal providers, such as friends and neighbors."

What is wrong with friends and neighbors? Some of us may need more friends. Most of our neighbors are men and women of good will. They have a hard time providing any day care under the ABC bill unless they make some contract or get some certificate from somebody in Des Moines, Topeka, or some State capital.

The tax credit and grant funds earmarked for child care services benefit only those two parent families in which both parents work outside the home.

This is the same question on discrimination.

The administration does in its wisdom support the Dole-Packwood substitute because in effect, though modified some and not precisely what the President said, it has that same result.

I ask unanimous consent that the President's proposal and the comments on our substitute be printed in the RECORD.

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

S. 5—ACT FOR BETTER CHILD CARE SERVICES OF 1989, THE MITCHELL SUBSTITUTE, AND THE DOLE-PACKWOOD AMENDMENT

The Administration supports child care legislation that is consistent with the following principles established by the President:

Assistance should go directly to parents, who are best able to make decisions about their children. Parents, and not the government, should choose the child care they consider best.

Federal policy should increase, not decrease, the range of choices available to parents.

New Federal support for child care should be targeted to families most in need.

Federal policy should not discriminate against two parent families in which one parent works at home to care for their children.

S. 5 violates all of the President's principles:

S. 5 puts its trust in government, not parents. Assistance does not go directly to parents. It is provided to States, which have the ultimate decision-making power on the care children will receive—whether the care is provided under contracts, grants, or certificates.

S. 5 provides assistance to two parent families only when both parents are employed,

perpetuating the current discrimination against those families which sacrifice income so that one parent can work at home to care for their children.

S. 5 decreases the range of child care choices available to parents. All care subsidized by S. 5, including care provided by relatives, must be totally non-sectarian in nature and content—a significant limitation on parental choice. S. 5 also mandates Federal standards that will limit the supply of providers and drive up prices, further diminishing parental choice.

S. 5 is not well targeted and would serve only a fraction of families most in need. One million children, at most, would receive subsidies in 1990, and they could be from families with incomes more than four times the poverty level.

In addition, S. 5 sets up a huge bureaucracy with significant administrative overhead costs that will reduce the monies available to parents.

FLAWED ALTERNATIVE (THE "MITCHELL SUBSTITUTE")

The alternative advanced by the Majority Leader—the "Mitchell substitute"—is an attempt to ameliorate the highly objectionable features of S. 5. Although it includes a tax credit that is not inconsistent with the President's principles, it is fundamentally flawed because:

It provides direct assistance through tax credits only to families who pay for child care and health insurance. These conditions constrain parental choice and deny assistance to families who are in as great or greater need than those who receive the credits.

It does not resolve the Church-State problem. The substitute retains the requirement that care be non-sectarian in nature and content. New language indicates that care subsidized through State-issued certificates is not subject to this requirement if it comports with constitutional law. The Mitchell substitute merely states a truism: that no government monies may be awarded in violation of the Establishment Clause of the First Amendment of the Constitution. The new language does not eliminate the bill's fundamental problem—that religiously affiliated child care providers participating in a certificate program will be subjected to expensive, intrusive and invasive litigation and government regulation. These problems consequently will deter use of certificates and encourage the use of grants and contracts, which are subject to the non-sectarian requirement.

It retains the biases in favor of institutional care and against care provided by informal providers, such as friends and neighbors. Only providers who are licensed or regulated, who are determined by the State to be "eligible providers," and who comply with government paperwork requirements can be paid for care under the substitute. The uncertainty about what constitutes acceptable practice when child care subsidies are provided through certificates only compounds this bias.

The tax credit and grant funds earmarked for child care services benefit only those two parent families in which both parents work outside the home. This perpetuates the discrimination against two parent families in which one parent works at home to care for the children. Because two-earner families have higher incomes than "traditional" families, and because the substitute discriminates against "traditional" families, it is not only unfair; it is also poorly targeted with respect to those in need.

PRESIDENT'S PROPOSAL

The President's tax-based proposal (S. 601) is clearly superior to S. 5 and the Mitchell substitute. It provides all assistance directly to parents, allowing them to decide for themselves how best to meet their children's needs. Assistance is targeted to low-income families, and 100% of the families who meet income and family composition requirements receive assistance. Two parent families in which one parent works at home to care for the children are eligible for the Child Tax Credit, which is not conditioned upon their making expenditures specified by the government.

The President has indicated that he is firm in his devotion to the principles underlying his proposal, but that he is flexible on how best to achieve them. As the Senate acts on child care legislation, the Administration seeks to advance a bill that best reflects the President's principles and prevents the S. 5—Mitchell approach.

DOLE-PACKWOOD SUBSTITUTE

We understand that Senators Dole and Packwood will propose an amendment to perfect the Mitchell substitute that does the following. It emphasizes direct assistance to parents by providing tax credits to low-income families with children. It includes an Earned Income Tax Credit (EITC) supplement for young children, which benefits two parent families in which one parent cares for the children at home. This supplement, which is similar to the President's Child Credit, could be used for, but is not conditioned upon, the purchase of health insurance. The amendment also makes the current Dependent and Child Care Tax Credit refundable, as proposed by the President. It retains the Head Start authorization increase and revenue measures in the Mitchell substitute.

This amendment clearly is far more consistent with the President's principles than S. 5 or the Mitchell substitute. It provides for greater parental choice and better targeting of those in need; it reduces discrimination against mothers who work at home; and it does not discriminate against parents who favor sectarian child care. Accordingly, the Administration favors Senate passage of the Dole-Packwood Amendment.

If S. 5 or the Mitchell child care bill were presented to the President, his senior advisors would recommend that he veto it.

[From the Washington Post, June 21, 1989]

KEEPING PARENTAL CHOICE IN CHILD CARE

(By Bob Packwood)

A heated philosophical debate is going on in the Senate over the question of child care. It is not about the need for child care in this country. Nor is it about whether the federal government has a role to play. We crossed that threshold long ago; in fact, last year federal funding of child care reached almost $7 billion. The current controversy focuses on how to expand the federal government's role in child care.

There are two approaches under consideration, and they are as different as night and day. The approach taken in the Act for Better Child Care (ABC) would give federal funds to states to subsidize child care. The other, bipartisan, approach, to be introduced this week by myself and others, maximizes parental choice by providing tax credits to parents. The differences between these two approaches are most striking in four areas:

Standards: One of the primary goals of ABC proponents is to set national standards that states would be required to meet to receive federal funds. Supporters of the bill have temporarily backed away from federal standards and instead have agreed to set up a national commission to develop "model standards" on everything from the educational background of a care-giver to the size of the yard in which children may play.

Federally mandated standards on child care are the wrong approach. States, not the federal government, are in the best position to know what kind of standards are appropriate for their own needs. Different parts of the country have different child-care needs based on economic, geographical, cultural and other factors. Our alternative has no federally mandated child-care standards, model or otherwise. Instead, states would have maximum latitude to set their own standards. A $400 million annual increase in State Dependent Care Development Grants would be provided to help states improve the quality and availability of child care.

Treatment of religious day care: Many parents send their children to day care sponsored by their church, synagogue or other religious institution. Some religious teaching may be involved. The ABC bill, which has as its cornerstone the direct payment of federal funds to care-givers, has a constitutional problem because the First Amendment prohibits direct support of religion by the government.

The original ABC bill included a provision that no ABC money can be used for any religious purpose. This created a new problem: What about relatives who provide child care and have religious pictures on the wall or read the Bible to their grandchild or niece? To address this concern, the ABC bill was modified to exempt relatives from religious care restrictions. In addition, to gather more support, the ABC bill was changed to let other types of religious care receive ABC funds indirectly through certificates. No one knows whether these exceptions are constitutional. The harsh reality is that parents could well be foreclosed from choosing religiously oriented care for their chilren. Although proponents of the ABC bill have partially addressed these problems by adding a tax-credit component to their bill, the fundamental constitutional issue is unresolved.

Our alternative raises no constitutional issues because it subsidizes child care only through tax credits to parents. Parents can pay the provider of their choice, religious or otherwise.

How to fund child care: The ABC bill sets up a new program to be administered by the federal government. Federal funds would flow through the states to child-care providers. Up to 30 percent of the ABC funds could go to administering the system. Parents may or may not get their first choice of a care-giver; this would be determined by the state government.

Under our alternative, federal funds would go directly to low-income families by making the dependent-care tax credit refundable and adding a refundable young-child supplement to the present earned income tax credit. Refundable credits allow the government to give tax refunds to families with modest means that owe no federal income taxes.

The young-child supplement would apply to families with modest incomes having at least one child under age 5. The supplement would equal $500 for one child and $750 for two or more children under that age. Both tax credits would be paid in advance in the

parent's paycheck, thereby making the money immediately available for child care bills when they come due.

Benefits provided to homemakers: Frequently we are asked by our constituents why federal child-care benefits should not also go to families that have modest incomes and young children but may not have work-related child-care expense because a parent or other relative cares for the children. Our alternative would assist these families through the young-child supplement.

The question boils down to this: Do we want to spend child-care funds in the least obtrusive way possible, with the fewest regulations, tilting toward parental choice, neutral toward religious child care and that helps both homemakers and non-homemakers? Or do we want to approve legislation that is regulatory, antireligious and bureaucratic? When you compare the flexibility and benefits provided by our alternative, there is no question in my mind.

Mr. DOLE. Mr. President, I said earlier this morning that the President was going to get a letter up here saying he would veto S. 5. A letter may not be necessary now because in this administration's policy statement paper which I have just received it says very clearly, if S. 5 or the Mitchell child-care bill were presented, the President's senior advisors would recommend that he veto it. I am advised that he would veto it, but we can still have the letter. I am not certain whether that will add anything to the debate at this point.

But I want to make the point that this is a very serious issue. I do not criticize those who have a different point of view. But I believe the President and a number of the agencies in the Government have looked at it carefully, and they have decided even with the modifications they cannot support S. 5 or the Mitchell substitute.

So we have tried. There has not been any secret that we have been working with colleagues, hopefully some on both sides of the aisle, trying to come up with an approach that could be understood.

We can look the parent in the eye and say you are going to get a tax credit under our proposal. If you are a low-income family, you are going to get that money. You do not have to go to anybody. You do not have to sign any contract. You do not have to get any certificate. You are going to be able to decide what you want to do for your child as far as child care.

It is not enough to cover someone's child care which might average $3,000 a year, but it is a start. It is as much or more as you are going to get under the other proposal. But you do it on your own.

So I hope as this debate unfolds the other side will give us 2 or 3 hours to make our case. Then we will be happy to come back and exchange a number of questions.

I now yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I say to my friend from Connecticut I am not going to speak very long here at this particular time. I know he wants to address this issue.

I will later in the afternoon come back with some more detail.

But I too want to join the distinguished Republican leader in praising the op-ed piece editorial page, that Senator PACKWOOD prepared for the Washington Post. I think it summarizes the issues as well as we can.

I am going to try to, in just a few minutes, address what I have found in talking to fellow Senators from both sides of the aisle is the most significant issue about his debate. Some say—and perhaps it is a way to say it—that this is an issue of keeping parental choice in child care, as my good friend from Oregon [Mr. PACKWOOD] has said.

I believe there is a gnawing issue, and that when Senators on both sides of the aisle finally understand the full ramifications they cannot conceivably support the reformed, amended ABC bill, which we will now call the Mitchell substitute.

Mr. President, we cannot have it both ways. Either we are trying in that bill, those who propose it, to take care of some of the poor children in this country, some but not all, or they intend to take care of a tiny fraction of the poor children in this country, and some but not all of the middle-income children in this country. You just cannot spread 70 percent of $1.7 billion any other way.

So let me tell you, and I hope fellow Senators who know their States, know their State governments, know the counties, know the politics, know the State welfare offices, know how tough it is to get anything done when you have to make disclosure to State bureaucrats in order to be entitled to a benefit. I hope they will listen carefully as those who propose the ABC bill, as modified, explain how and who is going to make the choice for those little poor children in one of my counties in northern New Mexico.

Who is going to make the decision for the Mormon parents of little children in Utah and whether or not they get an allocated slot in the health care, child-care program, either totally subsidized or partially.

Let me just talk to the occupant of the chair, a Governor. A State is going to be given a quantity of money. They are going to have to set up—and I do not like the word—people think we are down here betting up on bureaucrats, but, Mr. President, they are going to set up a bureaucracy to which the parents of little children must apply, disclose their finances because obviously if they are very poor they are going to get more help than if they are middle income. Who is going to decide that? There will be a whole new range of State employees. We used to say Federal bureaucracy. It will be State bureaucracy.

These parents are going to have to run down there, hat in hand, and say, "My little child is entitled to some day-care subsidy," and somebody is going to decide yea or nay, and how much.

Now, Mr. President, you know what is going to happen. First of all, it has to be rationed. I do not like the word, but the facts seem to be unequivocal that you cannot cover but a small fraction of those who want assistance. Somebody is going to ration the child care subsidy or the child care slots.

Mr. or Mrs. Jones or Mama and Papa Jones are going to show up by the thousands, by the millions, saying, "Can you not cover my child with this subsidy?" Sometimes they are going to say yes, and sometimes they are going to say no, and I ask, would it not be fair to put a little money in every such parent's pocket and let them choose how they spend it?

Can you imagine the in-fighting for whose child is going to be covered, when we know under this bill that you will only cover a small fraction? Can you imagine the pressure on this U.S. Congress when next year and the year after and the year after, we find that 70 percent of $1.7 billion—which is the funding here, Senators should note, and in the out years it is such funds as are necessary—can you imagine the pressure up here to turn that $1.7 billion appropriated each year into $2.7 billion and $5.7 billion, perhaps as much as $10.7 billion, because a tiny group of people are going to be screened and rationed, this child-care assistance, by some so-called lead State agency?

Mr. President, I believe there are parents in this country that, when they find out that they are going to have to go down to one of those State agencies and disclose their finances to see how much their little child is going to get, and will this bureaucrat give them the best slot, and will he even consider the church slot? How much are they going to go through in order to say the little neighborhood center where a mother is taking care of five children, that is where we would like them? They are going to tell the Senate that might work, we might clear them.

How long is it going to take the State agencies to clear that kind of center for allocation? My hunch is, so long, that it will be never. Then they will say, we can work out the church part, because you can determine that it is sectarian and not religious, and they can assign that little Catholic

child to that Catholic center. Do you believe that?

First of all, it will be in court with somebody suing them for about 8 or 9 years. Second, the bureaucrat, given the choice, is going down to one run by some State-approved agency, and under the guise of "We will treat them all fair." They have now created a situation in this approach where everybody thinks they are going to get something out of this, and only a small fraction is going to get anything out of it. Who is going to decide? There is no way to escape the creation of a huge, new regulatory process in each of our States, in exchange for this block grant we are going to give them; and then they are going to be behind the 8-ball from day one, because they can only cover a few kids.

Everyone is going to say, "We were mistreated," and they will be seeing their State legislator about the politics of it; and lo and behold, you are going to find that in some States, Governors with their political apparatus, will be talking about, "Be sure you take care of my friend Joe's little baby, Johnny." Frankly, I think it is a tremendous step in the wrong direction. I honestly believe, if we open this door to this way of providing our people with child care assistance, we are biting off the biggest bureaucracy and boondoggle potential out there in our Southern States of any of the bills we have approved in recent times.

So today, in my brief remarks, I merely want to say to Senators who are worried about either the religious aspect, who is going to decide what center they go to, what slots are allotted, and whether their constituents' children are covered or not, I am here to urge that they seriously consider the ramifications of opening this door. I stand on my statements before, that it could be $15 to $20 billion before we are finished, appropriated, if you are going to cover enough of the children to live up to the expectations created here on the floor, which go well beyond the poor.

In fact, they are going to criticize our bill, because it is only for the poor children, and they are going to say theirs covers middle-income people. Well, it might; it might cover 1 percent of them, if they are lucky enough to get chosen. What is the sliding scale for the subsidy going to be? Maybe you can give them each $10, and you will say that we are covering all of the middle-income children with something.

So it seems to me, those who are worried about who is going to make those kinds of decisions ought to understand that they do not have to make those kinds of decisions. You can let mothers and fathers make that kind of decision, and you do not have to discriminate if one chooses not to work either. You can choose the Dole-Packwood-Domenici-and-others approach, and both will get that, and you will not set yourself on a path of even implied discrimination against a mother who decides that she will stay home.

Incidentally, later today, when I talk in more detail, I have evidence that in the poverty level families, there are mothers who are choosing not to work, in large numbers. Someone of the floor said that was a misstatement, a misunderstanding, that obviously in the poor families, they are both working, so why worry about the stay-at-home? The evidence is to the contrary; $15,000 wage earner families, many of them, the mother is making the choice not to work. In fact, a very large percentage are left out. They are not left out under ours.

So there will be more opportunity for give-and-take, but I wanted those Senators that I have talked to—their must be 8 or 10 who are very leary, they are on the fence, they are worried. I hope they will take a real look at this ABC approach of appropriating money, so that somebody in each State can determine who is entitled to some child-care help and how much and where. I believe that is a move in the wrong direction.

I think we ought to go with something defined, put money in—everyone that has children, that are poor, put money in the pockets, and let them decide. I think that is what we do, and I am pleased to join the Senator from Oregon with this approach.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I have enjoyed the last 20 minutes or so, listening to the distinguished minority leader and my good friend from New Mexico [Mr. DOMENICI]. I am so mystified, because I hear them talking, but I am not sure if we are talking about the same piece of legislation. I have never seen, in the last number of months, so many speeches given about a piece of legislation with which I am totally unfamiliar. They are talking about a bill that does not even remotely exist. It is talking about something that may have existed in the minds of someone a long time ago, but is not now before the Senate.

Yet, I must also quickly say that I am flattered. If imitation is the sincerest form of flattery, then I suppose I should be somewhat flattered, as well, as I listen to the proposal from the minority leader in terms of an alternative, because we are looking at some features in that bill which the distinguished Senator from Utah and I have been advocating, and that, frankly, I do not think ever would be advocated were we not in this position.

Second, Mr. President, that substitute, the Mitchell substitute, has been on this floor for almost a week. Today is Wednesday. It was proposed a week ago tomorrow.

I have been on this floor all day Thursday, all day Friday, all day Monday, all day yesterday, and now half of today. We have had two amendments adopted by voice vote. And that amount of time has been given frankly, the truth be known, to the minority leader and others to see if they could shop around to come up with an alternative.

Let there be no illusion in anyone's mind. What we have in the form of an alternative is a political alternative. It is not an alternative or a substitute for child care. It is a political alternative.

The bill is being crafted to produce votes, not to deal with the problem that now most people recognize is deep and troublesome to most American families, and that is the issue of adequate, affordable quality child care for their infants.

But they do this rather than come forward and say, "Listen, we do not agree with you in every aspect of your bill, but we would like to make some suggestions, let's see if we can't work something out."

I sat in the White House almost 4 months ago just a few short hours after the Committee on Labor and Education had passed out a child-care bill. My first reaction was to go to the White House to see if we could not work out a compromise on child care so that we might have a Democratic-Republican-executive branch-legislative branch proposal on child care.

I sat in the office with the President's chief advisers and said, "Let's work this out." My colleague from Utah was sitting in the room with me. And personnel at the White House know it.

I said, "Can our staffs get together to try and resolve these differences? Will you get back to me when we can sit down and work this out?"

Mr. President, that was the last time I have heard from the White House, despite repeated efforts to try and sit down and reach a compromise.

I have sat with other of my colleagues here, and they know who they are, on the other side, the authors of these alternatives, weeks ago, in phone calls, in their office, any time, night or day, weekends, "How can we put a bill together?" They know who they are. I reached to the White House, to my colleagues on the other side, day after day, week after week, and the answer, Mr. President, every single time was "No." "No, we don't even want to talk to you."

Now I am being told that, "You would not sit down, you would not try to put something together. You will not try to work something out."

Let the record be clear and unequivocal, this Senator has tried for months to put together a compromise

proposal, and my colleagues on the other side know it. They know it.

I have sat here for 6 days and finally sometime this morning I get an alternative, and I am going to go into the specifics of that alternative, because I have listened for the last 20 minutes to idle chatter about bureaucracy and choice of parents and our legislation is a bureaucratic proposal that does not care about infants and families.

They know better than that. They know better.

Our bill is not perfect at all. Of course, there are ways to improve it.

But to suggest somehow that our goals and desires are to create some bureaucracy, some evil-headed monster to deprive people of their choice, that is how weak, that is how shallow, that is how empty their arguments are.

Rather than to address the issue of child care, what needs to be done, they get into a mindless, senseless, foolish criticism of a bill that years have been spent in drafting.

Is the Catholic church foolish? Is the National Governors' Association foolish? Are the League of Cities, National Association of State Legislatures, 139 other organizations, the National Association of Pediatrics—you can go down the long list of people who work in early childhood development foolish. People who know about children and their families have helped put this together. Is everybody a fool that has been involved in this?

And who supports an alternative, who? You did not hear the minority leader mention anyone.

Talk about not knowing what is in a bill that has been put before us.

But let us just take a look at it, if you will, based on what I have been able to read here, and let us separate fact from fiction on who really cares about minimizing bureaucracy, who really cares about getting resources to families, who really cares about maximum flexibility in choice. Let us look at these alternatives.

Who cares about seeing that resources be available to as broad a range of our citizens as possible? Yes, we do try to help people who are not just in the poverty level. I am not ashamed of saying that. There are middle-income families in this country that have child-care needs, not just the very poor, although our bill is focused on the poor.

Are we terribly wrong because we at least allow States some flexibility and maybe providing some assistance to some middle-income families? God forbid. Middle-income families, all they do is pay taxes and fight the wars. Rarely do they get a chance to be the beneficiary of anything that this Government does.

Yes, we try to do that. I am guilty. I plead guilty, Mr. President, I tried to do something here occasionally for a middle-income family. God, what a terrible thing to have done, what a terrible thing to have done.

I am not ashamed of that at all.

The alternative proposal—they suggest here a huge bureaucracy. Seventy percent of our funds go to families directly under the ABC bill. Not one penny of the alternative proposal in their block grant goes to a family. It just goes to States. Out of $400 million, not a penny to a family or a child.

Which is the bureaucratic program? Four hundred million dollars to the States, none of it going to parents.

In the proposal of the Senator from Utah and I, 70 percent of our fundings go directly to parents, to defray the cost of child care.

Which is the bureaucracy program, which of the two I ask you?

We provide funds to families; they do not provide a nickel to them under their block grant proposal.

I might say it is the first time they have ever even offered a block grant proposal. I commend them for that.

But parents deserve some help and they are not providing it in their proposal.

No strings attached, the minority leader said. God help you if you have a kid who is 4; if today your child celebrated his fourth birthday in America and you are working, a family or a single parent trying to raise that child, you are out. The Republican alternative says, "no" to you. Under 4—let me tell you, Mr. President, there are families in this country who have children who are older than 4 who need child care and under the alternative proposal they are out.

Under our proposal you can be 12 years old and move up. So we reach up into higher age groups because we realize that latchkey children and others need help as well. That is not a string. That does not deprive parents of choice, if they restrain, who can take advantage or benefit of that.

We set out some ideal standards, some goals, but we do not mandate them. We let the States decide to do that.

Is that so dreadful to say set some standards in your own State so that when parents are trying to make choices about with whom to leave not their car, not their car—we have standards for mechanics in America. You cannot just leave your car with anybody. If you are going to be a mechanic, you have to get licensed in most States in this country. If you want to be an elevator operator, you have to get licensed in most States in this country. If you want to be someone who runs a pet shop, you have to be licensed in most States in this country. If you want to give a haircut, you have to get licensed in America. But God forbid we should ask any State or anyone to have some criteria, some licensing to watch your infant child.

How ludicrous can you be?

We set standards for nursing homes, top standards. My colleagues on this side were the strong supporters of that, Medicaid, Medicare—strong standards. Elderly people ought not to be placed in an institution where the people watching them do not meet some minimum standards. I agree.

But should a 4-year-old child be placed in a child-care center and not set some minimum standards, a person who cannot speak for himself or herself? When they come home at night and their parents pick them up, they look them over to see if they have any bruises on them because a child cannot say, "The food was bad today, that person you are leaving me with is not treating me well."

But, no, I am a dreadful, onerous advocate of bureaucracy because I say that children deserve the same thing as your automobile, your pet, your elevator operator, or the guy who gives you a haircut.

Yet, those who advocate this are antiparent and antichild. There is nothing in the alternative. It does not even speak to the question of whether or not we ought to at least encourage something in this regard. Which of the two alternatives does more for children and more for the American family?

From every survey I have seen done, parents worry about the quality of the care. They spend a good part of their day on the job wondering about that unknown person they interviewed, they talked to. When they examined that child-care center: Is it everything I hoped it would be? They go by at night. They take the calls during the day. They try to stop by for lunch, if they can.

One of the things in our bill, we say parents ought to have the right—we do not mandate it—but they ought to have a right to make an unannounced visit to a child-care center. A number of States in this country do not permit that. The alternative does not speak to that. Talk about parental choice and rights; whether or not you can walk in and say: How is my child being treated at 9 or 10 or 11 or 2 in the afternoon—that is the best way I know to make a child-care center or someone who is watching a child be conscious of the fact that someone may be checking. And who is a better checker than a parent?

There is a long list of these things we talk about here, that we encourage the States to adopt: sanitation, electricity, checking the background of a person.

How is a person to know when she walks in? What are they supposed to say, "Have you ever been a felon"? What are they going to say?

"Did you ever beat up a kid?" And yet one of the things we require is that States do background checks on people.

This side does not even talk about it. What? Is the parent supposed to do the background check on each one of these people? That is what their alternative proposes. And that is to help parents? That is to improve the quality of child care in this country? At least we try to make this a more sane system for people.

Yes, we are proud of the fact that we provide assistance to grandmother or grandfather, aunt or uncle, or the adult sibling, to provide child care. We recognize those people can provide good child care.

I will tell the Presiding Officer quickly, as well, that in very few cases in this country is grandma and grandpa, or brother or sister or aunt or uncle, around 5 days a week, 8 hours a day, week after week, month after month, to watch the child. Babysit on a Saturday night; sure. Weekends when parents want to get away because they are tired of the kids; absolutely.

But if they think grandma or grandpa are going to become the child-care providers for our kids for the next 3 or 4 or 5 years, they have something else coming. They have not talked to many grandparents lately. But, to the extent they do, we say, absolutely. Our bill says absolutely reimburse them if they want to pay grandma and grandpa for watching our children.

I do not know how many grandparents necessarily insist that they get paid by their children to watch their grandchildren. Most grandparents would like doing that. But nonetheless, if parents want to pay them, we say pay them. The alternative: Not a nickel. Not a nickel, not a nickel will go to them.

Which side cares more about parents and families, I ask, under those circumstances?

So, on standards we do not mandate. We say: If parents want to use the church, use the church. If St. Aloysius has a great child-care program, go for it. Senator FORD, Senator DURENBERGER worked on that language, worked with other organizations. My colleague said very clearly to me, the Senator from Utah, who felt very strongly about it as well: let us not get into this here. I know my colleague is saying church-based programs can be involved but make sure it is clear and unequivocal. So I did what I think a good legislator is supposed to do. I listened to colleagues and we put it in. Now listen to the alternative. They are angry about it. They are sad I did that; upset that I did that, in a sense. They wished that I had not, so then they could go and try to build a political reason for rejecting this bill that has been worked on by so many people for so long.

I listen to some of them talk about mothers at home and I am terribly sympathetic to that. I think it is an important question. I would point out we do things under the Tax Code already to help. Maybe not enough. I would not disagree with that at all. Under the dependent care credits, we can get for our homes, or not, $4 billion of them exist in our Tax Code today. People say why are they not part of the bill. If we have $4 billion already in there, maybe we ought to put a cap or income limitation on them, make more available to middle-income people or below. I am all for considering that. But I am told most people would not support that. But I am told there are credits people can take advantage of if they are home today.

There are people on my staff who have wives who stay at home and raise children. They take advantage of those credits. I applaud them for that. So we have taken that crowd into consideration. Maybe we have not done enough and I accept that point. But if they say we are not doing anything, they are wrong; we do. And I think we ought to be proud of that.

But I find it somewhat—almost amusing, Mr. President, to hear some people here talk about mothers at home when the same Members have stood on this floor explaining about the AFDC mother, the welfare mother. In fact, last year we passed a welfare reform package and one of the great arguments that brought the broad base of support for that legislation in this Chamber was we were going to get those women back to work. We should not be dishing out $16 billion a year in AFDC payments. These people ought to be productive taxpaying citizens.

One of the ways in which we encourage them to go back to work is job training and child care during the training period. That was part of the welfare reform package last year. Get that AFDC mother out of the house and get her back to work.

But then I turn around and that same Senator says: But on the other hand, we want to keep them at home and not go to work. So I find myself somewhat confused about who we are talking about here. I think what we try to do is encourage—I, do—people who can afford to do so to stay at home and raise their children. Regrettably, that is a shrinking number in our society. Two out of every three women are the sole providers of their families; sole providers. There is no choice there, Mr. President. If someone is the sole provider of their kids—I do not know who my colleagues are talking about, but that woman has no choice. She needs help. Unless she wants to go on welfare. Is that what they are suggesting? She wants to be a good worker and a good mother and she needs help. That is all we are trying to do here.

I am being criticized because it is not enough. That is an interesting argument. We have only $1.75 billion in here, Senator. This program is going to need to serve a lot more.

Well, so scuttle the whole thing because I do not do enough. Am I to believe that theirs is a better alternative because they do nothing in this regard? I understand fiscal restraints. What did I do? I went to the Budget Committee. I said I would like to get a child-care bill passed this year but I know it has to be part of the budget. And the budget signed by the President of the United States includes the funds for this child-care bill. In fact, in the House of Representatives, the other body, there is a provision that specifically fences the money for child care. And the President of this country signed that budget resolution. The language could not be clearer in the report: For affordable, available, quality child care. So it is in the budget.

There are only 1 million children that can benefit by this. I know there may be more. But I am hopeful, Mr. President, that we may start an idea working here, you see, with this. Maybe, by starting to help 1 million children in our society, and their families get back to work, maybe the business sector—one of the things we include in our bill that is not in the alternative at all, the private-public partnerships—maybe they will start to do more in this area. Maybe we can promote more activity. That is the way we ought to be doing it if we are going to be successful with this legislation.

The alternative does not even refer at all to any of those kinds of activities to try to promote more activity by the private sector.

Of course, the proposal included by the distinguished chairman of the Finance Committee for health credit, that applies to mothers at home. They can collect that credit, whether or not they are working or staying at home, to defer the cost of a health insurance policy, and that is related to child care.

Insurance premiums are expensive. Thirty-seven million Americans have no health insurance, and 13 million of that number are children. The Senator from Texas rightly is trying to address that problem here. Children without health insurance. And that is available to mothers at home or mothers in the work force. So we do provide assistance in that area.

Mr. President, let me suggest to you that when we are talking about the alternative, as it has been described here, let us look at it in a careful way. It is a block grant, money only to the

States; no money to families. The tax sides of the bill, if you will, the tax credit sides are almost equal. Both include refundability. Ours goes a little bit further and tries to deal with the health issue as well. The difference is we also try to provide some assistance in a direct way allowing the States to run it. No Federal bureaucracy, and that has been said over and over again.

The Congressional Budget Office has suggested that to the extent there may be any Federal expenditures—may be—it may amount to 0.3 of 1 percent, 99.7 percent under the worst conditions of this legislation go to States and 70 percent of that goes directly to parents. So rather than take to what we are trying to do here directly, I find the authors of the alternative trying to create this mystique about a huge bureaucracy. It just does not exist. I do not know how often I can say that. I invite everybody to read the legislation.

One Federal job is provided for in this bill, a Federal administrator, and that person can be presently employed by the Department of Health and Human Services. That is it. That is it, Mr. President. I do not know whether I have to stand on the top of this building to say that, but if I hear one more time from someone coming over here about a huge Federal bureaucracy that we create, I am fearful that is what I may have to do to get people's attention. One job, Congressional Budget Office, maybe 0.3 of 1 percent. Maybe. I want to be honest, there may be a couple of bucks involved here, but 99.7 percent of this bill goes directly to the States and directly to families. That is the difference.

We provide care to children up through young adulthood. Our colleagues, only up until you are 3, and that is a pretty heavy burden to bear. They provide maybe $500 for a child. Average child care costs $3,000. With a cap on those earnings, you have to be very poor, roughly earning about $10,000 or $12,000 a year. Let me ask as a practical matter, is there anybody in this Chamber who believes that a person making a gross income of $10,000 a year with 2 children when the average cost of child care is $3,000 per child per year, if you are making $10,000 and you are looking at a $6,000 child-care bill, it is $750 under my dear colleague's alternative, is going to mean anything? Do you really believe that if you have a $6,000 child-care cost looking you in the face that $750 is going to cause you to go to work, or are you going to stay home and continue to collect that AFDC check? I will take that bet any day of the week, Mr. President, what is going to happen.

Unfortunately, it is not enough. If you have a $6,000 bill and you are getting $750 in refundable credits and you are making $10,000 a year, you are not going to use this money. It is not enough to defray that cost. So to try to lure the person off welfare, which is what we are trying to do here, get them trained, get them to work the poorest here, I suggest the alternative does not come remotely close to that.

Our ABC bill says you can. The State of Arkansas, the State of Nebraska, the State of Connecticut can go in and say we are going to take the AFDC recipient and make it a meaningful contribution. On the average, it is $35 million in assistance in our bill. Under the alternative, it is $8 million, the average. I just happen to be walking around, Mr. President, with the list of the States: Arkansas, under our bill, the State would receive $23.3 million, 70 percent of which would go directly to families, must go directly to families, to reduce the cost of child care, and Arkansas will decide who gets that money within that range, either to provide 50 percent or 75 percent or 10 percent, but Arkansas decides it, not this body.

Nebraska: Under our bill $11.3 million would go to the State of Nebraska. Under the alternative, $2.5 million. And by the way, in Arkansas, of the $3.9 million, not one penny of that goes to families in Arkansas. Not one penny. It just goes to your State bureaucracy. Under our bill, of the $23 million, 70 percent of it goes to the people of Arkansas, the citizens, the parents and the children of Arkansas.

If you want to stand up and support an alternative, you better look at the numbers and see who is advocating a bureaucracy here rather than providing assistance to children. I am very proud of the fact we have the support of the Governors' Association and other groups who have worked hard with us on this. Do you think the Governors of this country are going to support a bill that is nothing more than a bueaucratic boondoggle that does not mean anything to their citizenry, their constituents? I doubt it. Is the Catholic Conference going to support a bill that does not really eliminate the discrimination against religious based child care? I doubt it.

I do not really believe the Senator from New Mexico or the distinguished minority leader even believe their own words, but I think they are desperately looking for votes around here. Any speech that will bring them a vote, any comment, any way to characterize this is OK, as long as it produces a vote or two, and that is what I am up against. Not once in 5 days has anybody over here walked over and said, "How can we work together, Senator? Let's you and I put a bill together." Not once, Mr. President, since last Thursday. Now that ought to tell you something. Not once since March has anyone at the White House picked up the phone and called me. I have called them and said, "How can we get together on this?" Not once. Not once. The Senator from Utah and I have. We have not cornered the wisdom on the best child-care programs in the world. We know that. But when the authors of the alternative refuse to even really sit down and work out something together, I think their motives, frankly, with all due respect, have to be suspect.

So I urge my colleagues when they look at these alternatives to keep in mind the kind of work that has gone into the ABC bill. They are not Republicans, Democrats, liberals, conservatives. Pediatricians, teachers, parents, child-care workers, all these people involved in these things do not care if the Democrats get credit or the Republicans or George Bush or the Senator from Utah; they could care less. They could care less about who runs the 30-second political spot in the next campaign saying we got child care done. All they want, Mr. President, is a decent, available, affordable, quality child-care program in this country, and we are sitting here for 6 days fighting over a vote here and there to see who can claim credit come Friday, who gets to issue the press release. The American people ought to know that. American families ought to know that.

This is not a debate about child care; it is a debate about the 15- or 30-second spot on television. That is what it is about, otherwise, they would be sitting down and negotiating and talking about putting together a compromise. They have not and they have refused to. I have not said that before, Mr. President, because I thought if I remain quiet and did not express what I felt after all those conversations that maybe it would happen. Maybe someone might pick up that phone. Maybe someone might knock on my door and say, "How do we work this out?" It has never, never happened, and now the truth ought to be known.

So if you are interested, Mr. President, and I say to my colleagues, in seeing us come out with something here that will make sense to get some dollars to folks at home, try and provide some relief in the cost of this need—I said yesterday and will repeat again, Mr. President: I do not take pleasure in talking about a child-care bill. The Senator from Arkansas and I talked about this briefly. He was describing what it was like growing up as a child in a small town in Arkansas. In a way, it is tragic we are talking about child care, how this country has changed since the time I was a child, which is not that many years ago, when my mother was at home. The people I went to school with, their mothers were at home. I knew very few kids growing up who did not have one parent at home, usually a mother. And in a generation, we have reached a point where only 1 in 10 American

families have dad at work and mom at home—1 in 10 in that category.

I do not know how you legislate or turn that all around. I do not like the idea that we are sitting here talking about how do we provide some relief for single-parent families or how do we provide some relief for the overwhelming majority of Americans where two parents must work to make ends meet, must work not because they want a second TV or a second Volvo or a summer vacation in some fancy resort; they have to to make ends meet. I regret we are engaged in that debate. I think it is tragic and sad we are engaged in that debate.

(Mr. ROBB assumed the chair.)

Mr. DODD. Mr. President, the realities are that too many people in this country are in that situation, through no fault of their own. And all we are trying to do is to see if we cannot be a constructive, positive force to provide some help. That is all this is all about—so that the American child might benefit.

This bill is called child care, not parental care. A 4-year-old child cannot get a voucher or get a tax credit. Only their parents can. So what we are trying to do is to invest in that child, to improve the opportunities and the chances for that child, who, through no fault of its own, is living in a single parent home, through no fault of its own both parents must work to make ends meet. The parents want that child to have good care. That child, if he or she could speak to us, I presume, would tell us they would like somebody who cared about them, maybe not as much as their mother or father but someone who cared about them and loved them as a person, who would feed them properly, maybe not give them the same educational advice as mother or father would but at least try and make that day a meaningful day for them. We as adults in this generation bear the burden of seeing to it that that generation be given the very best that we can afford to give them as their parents would if they could.

That is all this is about. It is child care. We want those children to be bright, good citizens, who will support our Constitution, who will support our values and our principles as a Nation. To do that they have to have the tools to do it. They have to have that education. They have to have that ability to learn. All we are trying to do is to see to it that in that situation they will be given that opportunity. Someday they are going to tell us how they feel about it, I suppose, when they are adults and can express themselves more articulately than you can when you are 4 years old and you can understand what is going on. But I suspect at some point they might look back and say, "My God what were you thinking?"

My God, we passed the bailout for the savings and loan institutions in 2 days here. What is it, $150 billion? We had a 2-day debate. I have been here for 5 days over $1 billion for child care. President Bush said I need help to bail out the savings and loan institutions. I sit on the Banking Committee, Mr. President. I went to bat for him. I did not like it, but I understand you have to support those savings and loan institutions. We worked together. We did it in 2 days on the floor here, and I think it passed 92 to 8 or something like that.

I am involved in a 6-day debate over $1 billion to provide some assistance to families and children in child care. I can bail out a thief in Texas, but I cannot provide a nickel to a family in Virginia or Connecticut or Utah. What are the priorities of the Nation when it finds no trouble asking the American taxpayer to subsidize some crooks or some incompetents in the savings and loan institutions but is not willing to recognize the needs of the average American family, people who are trying to get off welfare and back to work or working families that need some assistance. The one we do very easily, hardly bat an eye, and on this one, my God, you would have thought that we had invited Marx or Lenin into the Halls of the U.S. Senate, to listen to some of the speeches around here this morning. They ought to be ashamed of themselves, some of the rhetoric I have heard.

So, Mr. President, we will go into the specifics later in the day, and I know my colleagues are not going to be lured by the sort of threadbare, worn out rhetoric that is used regardless of the program. Every time they cannot come up with a decent argument on why it ought to be opposed, just reach into that old bag and bring out the old standard argument, regardless of what it is, and see if we cannot get people frightened about the word bureaucracy when they actually have more of it than we do.

Parental choice, we provide a lot more of it than they do. We have a broad based program that says you do not have to be just 3 years old to get help from the Government. You could be 5 and 6 and 7 years old. Our bill says to a 7-year-old or a 5-year-old, we recognize you may need some child care. The alternative says no, at 4 you are done.

So we think we do provide broader choice, broader flexibility. We involve the States. We encourage greater participation. We try to promote the availability. We try to at least encourage quality in these programs. And it is not a perfect bill, Mr. President, and it is not the end-all of child care.

I would still hope, even at this late hour, that the other side might come forward and say let us try to work this thing out. I might get that phone call yet, Mr. President. I have not in 4 months. I am still open—despite what they have said, I am still open. My phones are open. The lines are open. If someone at the White House wants to pick up that phone and call me and say how can we sit down and work it out, I am ready. If the minority leader or others would just walk across this little space right here—it is not big—and say, Senator, how do we work this out—I have been here for 5 days. Nobody has walked across that little space and asked me about how we can work it out. All I have seen is people running around with papers in their hands in hushed corners trying to pick up a vote here or there to defeat the ABC bill, this dreadful monster that has been created. If they had spent as much time talking with me about how we could work it out, we would have been out of here days ago. We would have a child-care program that would serve the American public and we would not have had to worry about people taking out spots in newspaper ads or on television claiming credit for one party or another or some candidate or another.

So the lines are open. The doors are open. Unfortunately, no one wants to make that effort, so unfortunately I guess we will have to go through this process and hope in the end we will get something that will serve the people in this country. They want something done. They really are hoping that we will have the good wisdom and judgment to step in and at least provide some help in this arena.

Mr. President, I am confident that will happen. Unfortunately, it may take a little more time than it should, but I honestly believe that before this process is all over with we will come out with a decent program in this country. I believe that in the final analysis it will be one that is worked out between the President and the Congress. I am glad the President did not send up, despite the efforts of some to get it, a letter up here saying I am going to guarantee a veto. That does not serve anyone's interest at this point when it is only working its way through one House of the Congress. So at least I thank the President for not having been lured by that bait which would not exacerbate this problem, make it more difficult for us to try to work together. So I hope we could put the partisan differences aside to the extent they exist.

I want to tell you again, Mr. President, I have said it so many times here again today, my admiration for my colleague from Utah has grown by leaps and bounds over the last 4 or 5 days, in fact going back weeks and months as he has worked with me on this. He has been under a lot of pressure. He has been called a lot of names because he will not get partisan on

this issue, because he believes in trying to work something out here which is what we are sent here to do when we can. Occasionally you cannot. Occasionally principles get in the way and you will not be able to reach agreement. We have. And now he is being abused because he did it, because he worked at that. I just want my colleagues to know how much I admire him for having taken the steps, fought as hard as he did, and improved the quality of that product substantially. It would not be as good a bill had he not been involved at all.

So we look forward this afternoon to a continuing debate and discussion. But let me invite my colleagues on the other side to have a good, intelligent, healthy discussion and not a name calling one where you label bills things they do not deserve to be labeled. There is legitimate ground for some disagreement on some of these things. It is a matter of which thing you think may work better. But neither of these proposals deserve to be blasted in terms that they do not deserve, certainly this one does not. The alternative was worked on last night. This is 2 years, 2 years, of conservatives, progressives, outside groups, teachers, parents, Governors, State legislators, working on this bill.

I am proud of this product, Mr. President. It is the way a bill ought to emerge here. The alternative is one that has been kind of pasted and glued together over the last few hours, to try to beat this one politically.

So I hope, and I am confident, that we will finally get to a debate and vote on these matters in the next few hours.

I have not run out of patience. It has been a long few years working at this. I am prepared to stay here for however long it takes to try to resolve this issue. I am confident again that with the support of our colleagues, as they recognize what efforts have gone into this, the thoughts that have gone into this, the careful crafting that has gone into this, that when we get over this problem that faces us we will all come together behind an intelligent, thoughtful child care program that includes quality and availability, and reducing the cost to American families. Those are our goals.

Our bill at least tries to deal with each one of those questions in an intelligent way, not in a completely comprehensive way at all. But we start down that road. I think the American public will thank us for that.

Mr. President, I note the absence of a quorum.

The PRESIDING OFFICER. Thank you, Senator DODD.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BOREN. 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. BOREN. Mr. President, I want to commend the two leaders on this bill, the Senator from Utah, and the Senator from Connecticut, for the fine work which they have done on this piece of legislation.

This is a very difficult area of legislation. Crafting a package and a proposal that will please everyone is almost impossible. But it is absolutely essential that we make progress in this area. Millions of people across our country have no choice but to leave children at home in the care of others in order to have jobs to support their families. I have looked at the various proposals before us, and I intend to support the package offered by the Senator from Connecticut, and the Senator from Utah when this matter comes to a vote.

I think they have struck a fair balance in this piece of legislation between the need to provide additional child-care opportunities in the country, and I am convinced that this particular proposal will do more to expand the availability of facilities, far more than simply giving additional block grants to the States where they might or might not be used effectively for this purpose.

In addition, I have very strong feelings that those who wish to have their children cared for in institutions that are operated by religious denominations should have an opportunity to do so.

In my home State, the pioneers in offering day-care facilities were really churches across the State. Especially this is true in smaller communities where other commercial day-care facilities are not available. These day-care centers were not established to provide some sort of sectarian indoctrination. They were simply established to provide a loving and secure atmosphere in which children could be kept for working parents.

Churches have provided a tremendous service to the community, a tremendous service to families and the maintenance of the family unit, in making available these services.

I am pleased that a compromise has been reached, which would make it very, very clear that those day-care facilities that are operated by religious institutions would be eligible to receive assistance under this bill. It is still my hope that before all is said and done, we will be able to take a proposal made by the President to expand the tax credit for all children, which would provide benefits for those mothers who stay at home with their children, rather than going into the job market and into the work force.

I think it would be an ideal package if, in addition to the items which are offered in the Dodd-Hatch package, after consideration of it, we could add the addition of the tax credit proposal made by the President. The tax credit proposal voted out of the Finance Committee is an excellent one. It gives direct tax credits to offset the costs of day care for those working mothers who are forced to place their children in day-care facilities. I think in order to also encourage those mothers who are making financial sacrifice to stay out of the job market, where that is possible, and keep their children at home, we should also add to this proposal the additional tax credit supported by the President.

Mr. President, this should not be a partisan matter. We should not try to seek partisan advantage, as we grapple with this important problem facing our country.

It is an American problem that we are dealing with, not a Republican problem or a Democratic problem. I am not concerned about which party's stamp is left on this bill, in terms of which party gets credit for it. I am concerned that we solve a critical problem facing this country. Parents who have to work should have the assurance that there is quality day care available for their children, so that they can have the confidence that their children will receive the kind of treatment they are entitled to receive, while those mothers and those fathers are in the workplace earning a living. It is often a necessity for parents to make this decision, and that is why we have a responsibility to do everything that we can to assure that quality and safe care is available.

The Senator from Connecticut and the Senator from Utah have spent many, many hours working to craft a proposal that will meet these goals. In my opinion, they have done an excellent job. They have achieved a result, I think, that, on balance, will be of great benefit to millions of people across this country, and especially of great benefit to the children of this country.

It is not a perfect package. No package of this kind worked out with an aim toward balancing an interest of all sections of the work force will ever be a perfect package. As I say, I hope that we will be able to add some amendments to this proposal, before it is finally adopted, that would add the President's tax credit proposal, as well. But having carefully studied the various proposals before us, it is my intention to vote against substitutes offered for this package, to vote for this package, and to vote for some amendments, particularly, with the addition of the President's proposed tax credits to it, before we go to final passage.

I want to commend the Senator from Utah, who is on the floor, and also the Senator from Connecticut, who has long had a deep interest in this subject, a sincere concern, for the well-being of children in this country. I commend him for never losing interest, for persevering, for struggling through to try to put together a legislative package that will be of great benefit to this country. I think that has happened, and I intend to support its final passage.

Mr. GORE. Mr. President, I want to speak briefly on the substitute amendment offered by the minority leader because I have been a strong proponent of two of the key provisions of his substitute package, those being the earned income tax credit and the dependent-care tax credit. In fact, I have a bill pending in the Finance Committee, titled the Employment Incentives Act, which would seek to assist working poor families by expanding and improving EITC—and I must say to a much greater extent than does the proposal before us. My bill also would improve the dependent-care tax credit. I fully agree with the minority leader that we need to expand the EITC and adjust it for family size. And I believe just about everyone supports the effort to make the dependent-care tax credit refundable so that low-income families can benefit from this credit as do wealthier families. I am extremely pleased that the amendments offered by both the distinguished majority and minority leaders included provisions on the dependent-care tax credit.

Now I would like to support ABC and also support EITC expansion. I see them as separate initiatives to address different parts of the same problem. And I am hard pressed to vote against either one, because I believe we need to do both. But I believe, as do the sponsors of ABC, that the various tax credit proposals will not adequately respond to the pressing child care needs that American families are facing. Tax credits are not child care. Families of low and modest income need safe and affordable child care that can only come about if States have the resources and the incentives to increase the supply of child-care providers and improve their child-care standards. And poor families need help in paying for this care.

I regret that I was unable to support the minority leader's amendment. I wish that it had not been offered as a substitute amendment. I am hopeful that we still can take steps to both improve child care and also provide tax relief to the working poor through the earned income tax credit. And I look forward to working with my colleagues toward that goal.

Mr. PACKWOOD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon Mr. PACKWOOD.

Mr. PACKWOOD. Before I make the main gist of my remarks, I want to indicate something on section 89. The amendment Senator DOLE and others and I have offered does not touch the section 89 that is in the majority leader's substitute; it stays there. For those who like it, it is still there; for those who do not like it, it is still there. We have to deal with it. But if our amendment is adopted or not, it will still be there and will have to be dealt with in the same way. That should not be a factor in anybody's thinking, one way or the other. Whichever amendment passes, the majority leader's or our, it is still there.

Mr. President, I want to touch on only a few points, if I might. Again, I want to appeal to the common sense, if I can, of the public, as to how this bill works and who it may help. One, assuming that you are going to spend equal amounts of money, which approach would help more, the approach that Senator DOLE and Senator DOMENICI and I and others suggest, or the ABC bill, assuming you want to spend equal amounts of money?

If you have a plan that would spend $100 million, and I have one that spends $5 million, no matter how you spend your money, you could probably help more with your $100 million than I could with $5 million. Assuming you are going to spend roughly the same amount of money, pose this question to the average citizen: In your mind, which makes more sense, tax you, the Federal Government will tax you, whether you live in Oregon, Virginia, Iowa, or Nebraska, and we will bring the money to Washington, DC, in the form of taxes. We will then pass laws—if the bill passes, this will be the law—telling how the money should be spent. In this case, a fair portion goes back to the States. And we then give the money to the States, and we say to the States, "You can use up to 30 percent of your money for administration or qualification, and only 70 percent really has to be used for day care," but it goes to the States, and they, in one fashion or another, then provide it. That is the approach of the ABC bill that is offered by the Senator from Connecticut and the principal amendment of the majority leader.

The way we propose to do it is simply this: You are a parent, and you have a child, and you put the child in day care. It costs you a certain amount of money; you get to take a certain percentage of that off your income tax. That is all. It does not take any additional IRS agents. No State or Federal Government has to approve where you send your child.

Just from a common sense standpoint, assuming you were spending a given amount of money, equal amount, on our proposal or theirs, which would more likely result in more money being available to the parents to spend on their child for day care? I think it is obvious. If there is no cost of administration, no Federal bureaucracy, State bureaucracy, standards that the State has to administer, no training they have to give, if all the money goes to the parent, can you not probably provide more child care than in the other approach? I think so.

Second, is the parent too dumb or too poor—and sometimes people equate those two terms; they say, "Oh, that poor, dumb person"—are they too inept to be able to make a decision for themselves as to where they would like to place their child, and they need the State to help them or the Federal Government to help them, not with money, but with where that child should be placed, and what kind of qualifications should the person who runs it have? Should they have a master's degree in child education? Or if you are a parent, you and your spouse are making $16,000 to $17,000 a year—frankly, in many of the small towns of Oregon that would not be an excessively high family income—and say you are spending $100 a month for child care, and suddenly, along comes a bill that enables you to spend $140 a month for child care, do you think the parent is qualified enough, with the extra $40, to spend it on child care that is slightly better than the parent got for $100, or would the parent not know any difference, and might spend it, but not get any better child care.

I think people are reasonably smart. If they are leaving their child with a neighbor or if they are leaving their child in the basement of a local Baptist church because a community group is running the day-care center there, my hunch is that the parent probably knows whether or not they are getting value for the amount of money that they can afford to pay.

If they get more money, they get a little better value. I think it demeans the parent to say that they would not know how to spend the money.

Next, Mr. President, I want to talk about religion because this is not a settled issue, even with the adoption of the so-called Ford-Durenberger amendment.

In the bill as it is before us now is this provision:

> No financial assistance provided under this Act shall be expended for any sectarian purpose or activity, including sectarian worship or instruction.

So that clause is obviously more expansive than just "sectarian worship or instruction" or you would not need that clause.

I say it again:

> No financial assistance provided under this Act shall be expended for any sectarian purpose or activity.

We are going to have lawsuits if this language is in the bill as to whether or

not a State can given money to a sectarian organization, a nonreligious organization that rents the basement of the Baptist church and on the walls of the Baptist church are crosses, pictures of christ, and there are Bibles. It is very hard to make a church look not like a church.

I think it is going to be very difficult for the proponents of the ABC bill to sit here and say we can give money to that day-care center, but I will tell you the one they cannot give it to, Mr. President. They cannot give it to what is a genuine sectarian day-care center. I do not mean a secular, a nonreligious organization that rents the Baptist church basement. I mean a sectarian religious day-care center that intends that the children there learn the Torah or learn the New Testament as part of their day-care training. The ABC bill cannot give money to that kind of a center. It violates the Constitution. No question it does.

However, parents can send their child there and take a tax credit which is an approach we take, take a tax credit against their income tax for sending their child to the sectarian religious day care center, and that is constitutional. It has gone through the court process. It has been tested. There is no question it is constitutional. It is not only more efficient, it is constitutional.

Now, to attempt to get around this, the ABC bill now has a provision in it that says this limitation will not apply to certificates, whatever that is. I think I understand what they mean. I think they mean sort of like a voucher, sort of like a food stamp. You give a certificate to the parent and the parent takes their child down to the day-care center and they give the certificate to the provider and the provider turns it in to the Government and the Government gives them money.

Apart from the fact that it is questionable as to whether or not even that is constitutional, we are unable to find very many States that even have certificates, and there is nothing in this bill that requires them to have certificates, and it runs contra to normal bureaucratic functioning to like certificates. The natural nature of people who work for Government—I do not mean this critically, any of us in our own businesses have the same attitude—the natural nature of people who work for Government as a career, full-time, lifetime occupation is for Government to run something. If you give a parent a voucher, a certificate, and say to the parent, "Take your child where you want," the Government sort of loses control. They do not like that.

So, first, any State that does not have a certificate program, this exculpatory clause that is put in does you no good anyway.

Second, my question is, and I think it is probably a genuine constitutional question, as to whether or not a certificate that is presented to the religious day-care center and they turn it in to the Government and get money, whether or not that is constitutional.

There is no problem if we have tax credits. The parent takes junior down to the B'nai B'rith day-care center where junior is going to learn the Torah, pays them $100 a month, $200 a month, takes the money off their income tax, clearly constitutional, even though junior is learning to speak Hebrew and read it from right to left, it is OK.

The opposition says that our bill only helps children under 4. Wrong. Because our bill makes the present tax credit what we call refundable, it helps all children up to age 13, and here is what refundability means. The term "refundable" in the tax law means you are entitled to get some money back even if you owe no taxes.

The present tax credit law, and we have a tax credit law now for people who put their children in day care, whether you do it with the neighbor, a day care center or someplace else, the Federal Government spends almost $5 billion on that now letting people take credits against their income tax. But in order to take a credit under the current law against your income tax, in other words, you make $15,000, you owe $2,000 in taxes, you paid $1,000 for day care, and the law says you can take half of the $1,000 off your income tax, instead of paying $2,000, you pay $1,500, but if you owe no taxes at all under the current law you have nothing to subtract the $500 from and it does not do you any good. You paid it out, but you do not get anything for it.

Currently—this is a generalization—currently, if you are a single parent with a couple children, making about $12,000 or $13,000 a year, you pay no Federal income tax. If you are married with a couple children making $15,000 or $16,000 a year, you pay no Federal income tax. You do not owe any.

I will say again in small towns in Oregon, a woman, 23, two children, working at Woolworth, working at the local retail store, if she is making $1,000 a month, that is a high salary in that town, $12,000 a year. So she owes no tax. The day care credit does her no good.

Our bill makes it refundable. By refundable it means if you owe no tax but you still have this $500 credit, the Government sends you $500. And that helps everybody, every child of any age up to 13, and it applies from the moment the child is born until the child is 13 years of age.

The Senator from Connecticut said that the $400 million block grant in our proposal out of a total proposal of about $3 billion, of which almost $2.5 billion is tax credits, the $400 million block grant is bureaucratic because not 1 penny of the $400 million goes to kids, it goes all to the States.

He does not acknowledge in his comments that all of his money, every penny of it is administered by the bureaucracy. It all goes to the State. There is no guarantee that any of it goes to any child. At least we can guarantee with a tax credit that every single penny that a parent spends on day care, if they fit into the eligibility requirements, and that is basically an income requirement, the parent gets it.

That guarantee cannot be made and, in fact, I would almost make the guarantee the other way around. Knowing States, and again I do not mean that maliciously, they are very unlikely to have a program that gives money to parents. They may purchase a slot, as we call it, in the day-care center, and they will say, "Now we have purchased 10 slots in the Jones Day-Care Center, we are now going to select 10 children for the day-care center."

And they will talk with parents and see if the parents are eligible in terms of income limits and put the child in the Jones Day-Care Center.

That is by and large the way the ABC Program is going to work.

The maximum amount of children that the ABC Program is likely to help, likely, is someplace between 500,000 and 700,000.

The program that we have, although it is spread, the money is not far enough from being the same, we spread it over more people, is in excess of 5 million children, and I say the reason in excess, it is slightly over 5 million families with children. If every family only had one child, it would help 5 million children. But as we do not know how many it will help who have two children, three children, I will just say in excess of 5 million.

Then the issue of homemakers. The homemaker is the person who stays home to take care of their child rather than going into the work force and putting their child in day care, whether it is with a neighbor or a day-care center or someplace else.

An argument is made that if a person thinks that the best care they can give their child is to stay home with the child, that is going to be better than being in the Baptist day-care center or next door or at B'nai B'rith, if that person wants to stay home and says, "This is the best parenting I can give my child, why can't I get a credit also?"

The ABC bill prohibits it; cannot do it. It will not go to those homemakers. Our bill allows it to go to the homemakers.

So, for a whole variety of reasons: The religious issue, the homemakers, whether or not it is a more efficient way to use a tax credit where the

parent sends their child and takes part of the money off their income tax or to go the other route of appropriations, bring the money to Washington, appropriate it, spend it, give it to a Federal agency who is turn gives it to the States who in turn spend it for day care—which of those is the better approach, we think ours is—those are all legitimate philosphical issues. This is the first bill that we have had since the Senator from Maine has been majority leader that is a genuine philosophical difference of opinion. It has been a good debate.

I would like to think that parents are smart enough to spend the extra money if they are entitled to take it on their income tax or have it paid to them if they do not owe any income tax; that they are smart enough to know whether they would like to have their child in a religious day-care center or not and parents of strongly religious persuasion might like to have their child in a religious day-care center of that persuasion.

I think they are smart enough to get the best day care they can get for the money they have. Be serious. If somebody is making $100,000 a year and can afford to pay $10,000 a year for day care, they will probably get better day care than somebody making $10,000 a year who is lucky if they can afford to pay two of it in day care.

I will say it again. The person making $10,000, $15,000 paying $2,000 a year for day care, if they suddenly have a bill that will allow them to pay $2,500, if they have $500 extra, they will know how to spend it and they will know how to get slightly better day care than they got for $500 less. These are not dumb, uncaring people.

So, for all of these reasons, Mr. President, I would hope the amendment offered by Senator DOLE, Senator DOMENICI, myself, and many others, would be adopted. I think it is a more caring, more efficient, more religious way to spend the money that the Federal Government is willing to spend.

And, in conclusion, let us make it very clear. This is not a debate any longer about should we have day care. We are past that issue. The Federal Government already has provided us funding for day care. The issue is should we do it through a bureaucracy, Federal and State, or should we let the parent decide how, when, where they want the child to be placed in day care and take some portion of that cost off their income tax?

I think the latter is a much better proposal.

I thank the Chair.

Mr. DOLE. Mr. President, would the Senator yield?

Mr. PACKOOD. Yes, I would be happy to.

Mr. DOLE. I want to touch, again, on the religious question. I know there are Senators on the floor who are interested in that. One Senator just made a statement, the Senator from Oklahoma made a statement, that was taken care of in the modified, remodified, remodified ABC bill.

As I listened to the language read from the pending Mitchell substitute, it is still an issue.

Mr. PACKWOOD. It is still in the bill.

Mr. DOLE. Still in the bill?

Mr. PACKWOOD. Let me read it once more:

> No financial assistance provided under this act shall be expended for any sectarian purpose or activity including sectarian worship or instruction.

That is still in the bill. It is pretty clear language.

Mr. DOLE. So it is the conclusion of the Senator from Oregon and I think the conclusion of many others that we still have the problem?

Mr. PACKWOOD. I think we still have the problem almost as much as we had it before. First because we do not know how many States even have certificates, but we cannot find very many. Two, unless the certificate absolutely went to the parent—and even this is not sure—went to the parent and the parent took it to a day care center and the day care center got it reimbursed from the Government, maybe that is constitutional, maybe not. Most States do not appear to have any certificate program anyway so we do not need to worry about constitutionality. We will never get that far. They will never have the certificates.

Mr. HATCH. Will the Senator yield on that point just for a correction? There are 26 States that have child care certificates.

Mr. PACKWOOD. Can I ask my colleague, we tried to get that list yesterday.

Mr. HATCH. I will try to get it provided.

Mr. PACKWOOD. We called both the principal proponent of this bill, who we thought had this information, and the Library of Congress. Neither could give us a list of the 26 States.

Mr. HATCH. I will do my best to provide it.

Mr. PACKWOOD. Let me ask a second question. I want to know what they mean by a certificate. Oregon is counted as a certificate State. I will get back to the Senator from Kansas. Oregon is counted as a certificate State but here is the way it works in Oregon. A parent has day-care expenses. At the end of the month they fill out a form as to what they paid for day care and they send it off to the State and the State sends them a check. That is hardly a certificate. That is much more like a tax credit. But we call it a certificate.

So, first I would like to see the list. Second, I am curious how many are really certificates.

Mr. HATCH. If the State sends the money directly to the parents, the parents can, in turn, use that money for the purchase of child care. They have the right to choose.

Mr. PACKWOOD. What it really amounts to is Oregon does not have a certificate program even if it is counted as a certificate State.

Mr. HATCH. The point is that it is not that different from the States that do have certificate programs.

I am not saying all 26 States have exactly the same type of program that they call certificate program but they have some aspect of a certificate program that, basically, allows the parent to make the choice with regard to the religious decision.

I do not mean to interrupt the distinguished Senator from Kansas but let me just say this. There is no question that the tax credit approach allows the parent to choose the child care that that parent desires. And there is no question in my mind, constitutionally, that parent can choose a religious day-care center where religion is pervasively taught, to use constitutional language. There is no question that that can be done, in my opinion, through the ABC approach of child-care certificates.

Mr. PACKWOOD. What if a State does not have a certificate program?

Mr. HATCH. Well, then, we encourage through that—it is up to the State to do that and they can make the determination. There is no question, though, if they do, in my opinion they can, as parents, get tax credits; use those moneys to send their children to child-care centers, religious-care centers where religion may be pervasively taught.

Now, there is also no question—and the Senator makes a good point—that with regard to direct grants under the ABC program, that those moneys cannot be used in a similar fashion; that, literally, we have to be bound when we make direct grants to not use those moneys to teach pervasively religious or sectarian teachings in that day-care center. That is just meeting constitutional law. It is the difference between a direct grant and the other. And I have to say I think that is one reason why I do like the tax credit approach as an approach.

That is why I would like it to be a comprehensive bill. It is a good point but I think it is an irrelevant point. Because what we are saying is that we can do much more through direct grants in some ways than we can through indirect grants which are tax credits and, yes, we are not as good with regard to sending children to pervasively religious teaching organizations involving child care as tax credit approaches are. That is why I would like to merge them both together and

I have been trying to talk to colleagues on both sides.

I think, if the distinguished Senator from Oregon is really interested in getting a child-care bill, he knows that if his approach passes, there will never be a child-care bill. We know if the ABC solely passes, the President probably—he has indicated he is going to veto it. We think if we put them both together, it brings a lot of people together who like one or more aspects of each program and we will have a child-care bill that might do something to help with child-care problems in this country.

To me, I do not see any problem with that. I do see problems with the amendment of the distinguished Senator from Kansas, which is a substitute amendment, which would wipe away all the work that has been done for child care by our committee and by the distinguished Senator from Connecticut and myself.

That is a right the Senator has. He can do that. That is fine. But it is one reason why I think it is a mistake. If my colleague wants to get together and do the other, I think we will have a child-care bill everybody will benefit from in our country. And his point of view will be brought to the surface, the good points on the ABC bill will be brought to the surface. If one is better than the other, I think we can choose down the line which one is better. If they both work well together, then, my goodness, we are doing an awful lot of good for everybody in our society.

Mr. PACKWOOD. I hear what the Senator from Utah says. I know deep in his heart he knows we are right.

Mr. HATCH. Deep in my heart I like the approach of my colleague, but I like the other approach, too, because they both offer benefits. Each of them offers certain benefits that the other one does not have and I think any honest person has to admit that.

Mr. DOLE. Would the Senator yield?

Mr. PACKWOOD. I do.

Mr. DOLE. I listened to the Senator from Oregon very carefully. He made an excellent statement as he normally does. As I look at it, there are two things in the statement that I think need to be emphasized. One is sort of rationing of child care.

There is no one who supports the ABC approach who will stand up and say it is going to cover 1 million children. Maybe 700,000.

Mr. PACKWOOD. At the most.

Mr. DOLE. At the most. Maybe 500,000. That is the point the Senator from Oregon made.

On the other hand, the approach we are offering would cover over 5 million families. That could be, probably—I do not know what, 10 million, 11 million children.

Mr. PACKWOOD. They all have to have at least one child so it is minimum 5 million to start with.

Mr. DOLE. Another point that the Senator from Oregon made; I think those who rush to embrace the ABC bill, they had better figure out the ultimate cost of that bill. The Senator from New Mexico said maybe 20 million. This is a foot in the door, $1.75 billion is a foot in the door, but it only covers 500,000 of the 18 million eligible children.

You can calculate that.

Second, the Senator from Connecticut, who was here earlier, was saying that our bill was directed at the poor and that he properly felt we ought to pay some attention to middle-income Americans. He may be right. If you are covering that many children, who is going to be served first? Probably about 4 to 1, four middle-income versus one low-income. In some of the States, Connecticut, for example, you are eligible for ABC benefits even though a family of four can have income of $48,000 a year. That is another reason we went to the earned income tax credit approach. We want to help the families who need the help.

Mr. PACKWOOD. Ours at the most goes up $28,000 and the bulk of it goes to those families of $10,000 and under income.

Mr. DOLE. I again congratulate the Senator from Oregon for his statement, and I assume that other side has whipped everybody into shape, with a little help from our side, and they probably have the votes to defeat our approach. But the President did not make any bones about it, he is going to veto S. 5. It is bad legislation. It does create standards. They can argue all day long about no standards, but the States have to meet six different standards, six standards. Who is going to issue these certificates? You cannot get people in my home town of Russell, KS, running around looking for certificates. Give me the money, let the parent decide. I cannot understand why the Senator from Utah would desert the parents of the United States in favor of some new bureaucracy.

Mr. PACKWOOD. Mr. President, do I still have the floor? Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. WIRTH). The Senator from Utah.

Mr. HATCH. Mr. President, I have been very interested in my distinguished colleague's remarks. Let me say this. There is not a more profound spokesman on the floor of the U.S. Senate than the distinguished Senator from Oregon, and he makes a lot of good points. That is why I think both the distinguished Senator from Connecticut and myself are very intrigued and interested and even authors of similar legislation as his tax credit approach.

I think I make a pretty good point that it would be a lot better for us to get together and merge these two different concepts and see which works the best or if they work well together, but to get something done here that might help families in this country. That is what the distinguished Senator from Texas has tried to do.

I have to admit I have trouble with his amendment that is part of the Mitchell amendment. I wish we could go to something like this. But the problem is it is all or nothing, and they know we cannot get a pure tax credit approach through the whole Congress. They know that, so it is as much as saying we do not want a child-care bill. I believe if we merge them together, we could get a child-care bill through both houses of Congress, which the President would sign, which would go out there and do some good for families.

To answer the question of the distinguished Senator from Oregon about what are the States that provide for child-care certificates or vouchers, let me read them off. These figures come from the children's defense fund which is eminent on working on children's issues across this country. And the States which have vouchers are 29. I stand corrected. I said 26. Let me read them off, and they may differ, or course, but they have some form of voucher now that could easily be adapted under the ABC bill. The States are: Alaska, Arizona, California, Connecticut, the District of Columbia, Hawaii, Idaho, Illinois, Iowa, Kansas, Kentucky, Louisiana, Maine, Massachusetts, Minnesota, Missouri, New Hampshire, New Jersey, New Mexico, Ohio, Oklahoma, Oregon, Pennsylvania, Tennessee, Texas, Vermont, Virginia, Washington, and Wisconsin.

I notice that most of the prime sponsors of the Dole amendment have State where vouchers are allowed. It seems to me their States will benefit from the ABC bill and child-care certificates and maybe even from their leadership in encouraging the leaders in their State to take advantage of the child-care certificates. If that is so, them maybe they can even resolve some of these religious issues and problems that they seem to find with the ABC bill.

There has been considerable discussion in recent months and, of course, particularly in the last few days, regarding, one, the extent to which under the ABC bill you can and should make available moneys to sectarian institutions; and two, what limitations, if any, would apply to the religious activities and practices of providers under this bill.

I have a lot of comments about this matter. I see the distinguished Sena-

tor from California is on the floor and I know that he wants to ask some questions of the Senator from Oregon.

Let me just say one other thing. I think this is a big red herring, and I am a little bit perplexed that my colleagues on this side of the floor keep raising it because we all know that if you directly fund something from the Federal Government, there are certain constitutional limitations or restraints with regard to religious activity. That is what the Constitution says. It provides for a separation between church and State, and there is no one who fights harder for religious rights than the Senator from Utah does. I think I am known for that. I think I am known for at least understanding the constitutional implications.

The fact of the matter is that we are providing for direct grants here to go directly to help these families with child care, and there will be limitations when you make direct grants that have constitutional limitations. We have limited those limitations as much as we can in the bill. I have been interested that the distinguished Senator from Oregon keeps reading out of the bill, but only part of the sentence. He reads: "No financial assistance provided under this title shall be expended for any sectarian purpose or activity, including sectarian worship and instruction * * *." But he does not always read the "except" that this subsection shall not apply to funds received by any eligible provider resulting from the distribution of a child-care certificates to a parent under section 108(a)(1)(C)." That is the Ford-Durenberger language, in part.

The fact of the matter is that when we make direct grants to people or to organizations for people, we are bound by the Constitution. I think my colleagues would have to say that is the way it is. But we are not bound by those same limitations or restraints when it comes to child-care certificates which 29 States have some form of.

I think what I am trying to say is that, yes, if all you are interested in is getting around the religious limitations and all you are interested in is getting maybe $750 in refundable tax credits to help families with two children under the age of 5 pay for their child care, then the tax credit approach is a good way of doing it, and they can use that money if it is paid directly to the parents. They can use it for the most pervasive religious based organization in the world, if they want to. The fact of the matter is that all they do under their bill is take care of two children with $750 when the average cost of child care for those two children is $6,000.

That family still has to come up with $5,250. I think that is a good approach. I think that is something that can help but it is not the only approach. If we merge that approach with the ABC bill, we would have an approach that would really help people and at the same time compare two different approaches over the years in a way that might cause us to go to one or the other or beef up both. I would suspect we would be beefing up both.

Let me just end with that and turn the time over to the distinguished Senator from California because I know that our side has dominated this debate primarily because we have been really the only ones on the floor for the last number of days, but I want to make sure that those who are opposed to our particular approach here have every opportunity to express themselves about their beliefs and about their feelings and about what they think is a better approach.

If I could just say one thing about yesterday, I do not think I said—one of the papers printed that I was criticizing my Republican colleagues. I was not doing that. I was criticizing whoever made that blue sheet, and I was criticizing outside groups that are misrepresenting and using disinformation and misinformation and downright deceit and trying to malign what the distinguished Senator from Connecticut and I have tried to do here. I resent that.

Now, if there are colleagues who have done that, I have to say I resent that even more. But I do not know of any colleagues who have done that except for many of the mistatements on the floor, and I know those are sincere misconstructions of what our bill really says. If they were not sincere, then they deserve great condemnation and I think even those who are for their view would agree with that particular statement.

I am upset at the outside groups who are using misinformation, disinformation, downright deceit and fraud to try to defeat what the Senator from Connecticut and I are doing. Now, they can use every effort they want to defeat us, but they ought to play fair; they ought to hit above the belt. That is all I am asking. That is all I am saying.

As far as my colleagues, they have a legitimate proposal here. It is not that different from the one that is called the Hatch-Dodd-Mikulski bill. As a matter of fact, most of these ideas have been driven because of the debate that has been created in our committee, and I have to give them credit for doing it, but it is not the only way to go. If it is the only way to go, it will not go through the Congress and we will go another year or another 2 years without doing anything about the significant problems in our society.

So what I am saying is, I am reaching out to my colleagues saying let us merge them, let us put them together. Let us kind of swallow hard and say maybe we can accept the other person's point of view. Certainly Senator DODD and I are willing to do that. Why not do that and get something that will help families in America. If we cannot do it, then let us have it out, let us fight it, let us see who wins and let us hope that if one side wins, the other will at least have the good grace to accept it and do what we can to help families in this country.

Mr. WILSON. Will the Senator from Utah yield for a question or two?

Mr. HATCH. I will be glad to. I will be glad to turn the time over to the Senator, too.

Mr. WILSON. I thank the Senator. He is well aware of the high esteem and affection in which I hold him.

Mr. HATCH. And vice versa.

Mr. WILSON. He has worked very long and diligently to craft child care legislation that will respond to the real needs of American people, but I think that because there has been a spirit of accommodation and changes there is some honest confusion about the provisions of the current ABC bill as amended with the Mitchell substitute, so if I might take the opportunity with him on the floor to ask some questions, perhaps we can contribute to clarify the understanding of all Senators.

First, there has been much made on both sides of the necessity for parental choice, and there seems to be agreement that the parent as the ultimate consumer should be the one who has a choice in what kind of child care he or she will commit his child to.

There is less understanding, or at least less consensus apparently on whether or not the Dole substitute and the Mitchell substitute both provide that. So let me just ask my friend this question. As I read the Mitchell substitute, the States will receive funding and 70 percent of that funding must be used to provide child care of different sorts—school-based child care, perhaps center based child care of a proprietary type or of a nonprofit type or family based child care, but there is a requirement stated in the law that there must be an equitable distribution. Perhaps there is a definition of "equitable distribution." I have not found it. But it had raised the question as to whether or not the equitable distribution either, one, requires and equal distribution between those different kinds of care or leaves that in the discretion of the States.

Mr. HATCH. As a matter of fact, we do leave it to the discretion of the States. What we do acknowledge in the bill is that there may be differing forms of provided child care that may be very valid in the eyes of the State leaders.

Mr. WILSON. The problem that I see arising from that is that I think actually, though I will discuss vouchers in due course and some problems I

see with that approach—to achieve the maximum parental choice it would seem to me that the bill as it was originally introduced, before it was amended by the Mitchell substitute, afforded far more parental choice in the sense that the money which was allocated, 70 percent of all the money that was allocated to the States was required to be used by them to provide parents with vouchers.

Now, as I understand the change under the Mitchell substitute, whatever "equitable distribution" means to the individual States, it is necessarily going to shrink the amount that is allowed for vouchers, or at least certainly can if a State decides in the exercise of its discretion that 40 percent of the money should go to center based child care and 35 percent to school based child care. Then if, for example, 50 percent of the people in that State really wanted a family-based situation, they would not be able to get it.

Mr. HATCH. Let me just answer the distinguished Senator. Equitable distribution, I think, is more concerned with geography within States than it is with forms of child care.

Mr. WILSON. Let us stipulate that there would be geographic equity.

Mr. HATCH. For instance, we do not want to see all of the moneys ignore the rural parts of the States or go to just certain cities in the State. So each State has its right to equitably distribute. I think it would also include reasonable equity among different providers of child care including home child care.

One of the things that we are trying to do, and the whole purpose of the $400 million block grant—that idea came from the first child-care bill that was filed. And that bill was called the Hatch-Johnston bill and virtually everybody has adopted that $400 million block grant that does all of these things to help create child care, to help provide quality child care and to help make child care affordable.

Mr. WILSON. I agree, and we are not talking about the block grant. We are talking about the amount apart from the block grant, the major amount.

Mr. HATCH. The point I am making is that the whole purpose of that block grant is to help create available affordable quality child care, and we made the point during the arguments on that block grant initially that there are all kinds of valid forms of child care including home care that the original ABC bill could not take care of, and that is one thing that we have tried to do within this current draft of the bill.

Mr. WILSON. I understand that. But I think that perhaps in an effort to be accommodating the Mitchell substitute has, ironically, created a situation where there is in fact less parental choice. There may be a greater variety of forms of child care offered, but it seems to me that it will be at the expense of parental choice, which was maximized at the point that 70 percent of those moneys were given in the form of vouchers to the parents rather than indirectly given, either by the State or by some local government, to a contractor who would then provide in kind the child care.

Mr. HATCH. Let me say this. I have never been for total vouchering system and neither was the original ABC bill or any subsequent draft thereof. The original ABC bill did, it seems to me, have a bias in favor of institutional child care providers. That is one of the things that certainly this Senator has worked very hard to change. Another thing we have tried to do is make it clear that States need the flexibility because different types of child care may have different importance in certain States. But in any event, we feel that all forms of child care that are basically meeting certain standards have validity. I do not think that parental choice is narrowed by helping to create more forms of child care. I think that widens the choice for parents.

Mr. WILSON. Obviously, if you can encourage the creation of new child-care providers that will allow for a wider range of choices. But what you are doing, if you give the money not to the parent but instead to the State or to a local government and it is their decision in the exercise of their discretion under the ABC bill to contract directly with the child-care provider, they are in effect making the decision for the parent.

They are obliged by some rhetoric in the act to seek to accommodate the first choice of the parent insofar as they can. I think it would be difficult to argue that there is the same freedom of choice that is afforded under the tax credit, a refundable tax credit, which puts cash in the hand of the parent, allows the parent to go into the marketplace and take advantage of whatever forms are available.

Mr. HATCH. Let me just answer that. I have to say that in some areas, in most of the States, there is only one form of child care. So it is not really a great choice anyway. No. 2, I cannot dispute that fact that I like that concept of the tax credit bill that gives the money to the parents, and recognizes the mother at home or the father at home, whichever parent is at home. I would like to see that adopted, before this debate is over for the ABC bill as well. I like that. I believe that those are good provisions. I think that gives a wide variety of choice. But they are going to choose whatever available child care is in their area, and in some areas there are only one or two forms available.

Third, and I think this is important, I believe that it is important to point out there is a defect to that approach, too. I think it is only fair to point that out. If you turn the money over to the parent, and you give them the choice to make, that is good. They may not make the choice to pay for any child care at all for their children. They may choose to use that money for something else. I think that is good, too. But do not tell me that gets quality child care, and do not tell me that helps with available child care, two of the most important aspects of the whole child-care debate.

Mr. WILSON. I think we could debate the wisdom of allowing the individual to make that choice because some will undoubtedly abuse it. But most will not. I think most people are very much concerned about their children, and about the quality of the care.

Mr. HATCH. Some are, and some are not.

If the Senator will yield for a second question.

Mr. WILSON. Yes.

Mr. HATCH. I have to go to the White House. I will try to get Senator DODD here so he can answer any further questions. But I would love to spend the rest of the time. I do have to go down there.

Mr. WILSON. My regret exceeds the Senator's own.

Mr. HATCH. Let me yield the floor to the Senator. I will be back in about an hour. I will be happy to answer any questions then. I will in the meantime try to get Senator DODD.

The PRESIDING OFFICER. The Senator from California.

Mr. WILSON. Mr. President, I thank my friend from Utah. He has, as always, been graciously generous. The reason I wish to ask him questions is because of his deep involvement in the crafting of the ABC bill, and because of his well-known concern about child care.

The next question that I had intended to ask really related to the fact that as he has observed there is the need to create additional facilities, additional providers insofar as that can be encouraged. But it is also questionable in my mind that one of the provisions in the ABC bill will permit that to occur other than in a very narrow fashion. That is the requirement that there be in effect sort of a Davis-Bacon standard applied to child care, and that even where vouchers are given not to mention the situation where a State or a local government directs the kind of care that will be provided through a contractor with whom they have dealt directly rather than providing vouchers or some other form of direct cash assistance to the parent to make that choice themselves in the marketplace.

That is the requirement found in section 107 of the ABC bill relating to payments. Section 107 provides that

whatever plan the State submits it shall provide for child-care services for which assistance is provided under this title, and an eligible child-care provider shall have a right to payment at the same rate charged by providers in the State or substate area for comparable services to children of comparable agencies and special needs.

Mr. President, I submit that while there is an effort at fairness to providers, it will inevitably work to the detriment of the children whom we are attempting to provide for because it is an invitation for the inflation of the charge made for the child care. It will inevitably lead to the subsidizing of a fixed number of slots at market rate and market rate as we know in certain areas is a very expensive proposition, which raised the other question; that is, the mechanism of how the State or, if it is delegated, that responsibility is delegated to a local government or some other unit of government, how they will in fact assign to deserving consumers the right to Federal assistance in the provision of child care.

The amount of money that is provided under this legislation for that purpose is now $1.75 billion. It was reduced under the Mitchell substitute. In the old ABC bill, more money was provided but even under that version only about a billion children could actually be provided for. That was the estimate made by the committee staff. It is reported in the committee report.

But of course the universe of need is far greater than that. It is at least five times that great if we are talking about poor children under the age of 5. And now with the Mitchell substitute, the estimate by a little simple arithmetic, is that the amount of funding available at market rate taking an average of market rate across the Nation would result in that amount of money accommodating about 3 or maybe 4 percent of the entire universe of need.

Mr. President, how is that money going to be allocated? Who is going to decide and how are they going to decide which parents get the money? There are something like 14 million families eligible under the Dole substitute; 14 million families under the ABC bill; with the Mitchell substitute half a million children can be reached by the amount of money that is available.

So, yes, there is an enormous difference between these two approaches, and one of the most significant differences is how many children can be reached by essentially the same amount of money. Under the ABC bill you have a very rich program for a very few children, and the lucky half million children who would be served by that would be lucky indeed by comparison with the 4.5 million who would not be served.

How is that going to be done? Where is the equity in that situation? Is it to be done by lottery? That is a sincere question. I really do not understand the mechanism for the selection of the fortunate parent. I do not think it is clear from the legislation. Indeed, it is not clear even if we were talking about vouchers that provided direct assistance.

The other points that I was going to touch on with my friend from Utah had to do with the statement he made that he liked, he admitted, the tax credit approach. He particularly was concerned about the situation of parents who were not required but who chose to remain at home. He saw in the use of the tax credit a means available to give financial assistance to the so-called at-home mom.

Now, a word on the quality of child care before we address a particular point. I will not even bother to hold them up, but I have three or four very interesting works on child psychology.

Mr. DODD. Can I ask my colleague to yield on a point I need to clarify?

Mr. WILSON. Surely.

Mr. DODD. Correct me if I am wrong, but as I understand it, the provisions of the Bentsen, if you will, tax credit proposals, the refundable dependent child-care credits, are the same as the Dole refundable dependent child-care credits. On those two provisions there is no difference. Am I correct in that?

Mr. WILSON. I do not believe you are, but——

Mr. DODD. I think they are exactly the same.

Mr. WILSON. That is a point that we will pursue, because I think there is a difference.

Mr. DODD. We serve the same number of children, the same amount.

Mr. WILSON. I think there is a basic disagreement, in that the Bentsen provisions relate to health care.

Mr. DODD. That is another provision of the bill, but under dependent care credits, the refundability, there is no distinction between the Dole proposal and the Bentsen proposal on those two matters. That is exactly the same.

Mr. WILSON. Then the amendments or changes are moving faster than the speed of sound.

Mr. DODD. That has been there for a long time. For the purpose of debate, those two matters are exactly alike. There is a difference between the block grant approach and the ABC approach. We give 70 percent of our funds to families. The block grant approach provides no assistance to families. That is a legitimate difference.

Mr. WILSON. If we are going to compare apples and apples, we are talking on the one hand about a block grant in yours and a block grant in ours, but what I am talking about is tax credits.

Mr. DODD. Tax credits.

Mr. WILSON. Tax credits versus the system under yours, whereby a decision is made by the State as to whether or not it will be allocated through the provision of a tax credit for services.

Mr. DODD. No State gets involved with tax credits. We are not debating that.

Mr. WILSON. I think that is one of the faults of the legislation.

The basic point really is that these various works—and I will hold them up, now that my able assistant has found them—are part of a vast collection that you will find lining the shelves of bookstores all across the land, in growing number.

There is, and quite properly, quite rightly, a growing concern on the part of parents—it is not new; it dates back to Dr. Spock's book about how to raise infants, how to raise children—but there is increasing, in the literature of child psychology and child rearing, testimonial from one after another so-called experts, that it is of particular importance during the first 3 years of life, and indeed in the first few weeks of life, that a mother and her child be together in order to bring about the kind of bonding, the kind of attachment, to use the terms the psychologists use, that give that child capability in later life for empathy, for conscience, remorse, and for understanding the plight of others.

It is the kind of thing which, if not given to a child, it seems very clear, almost universally among these writings, leads to a very different kind of adult, one far more subject to feelings of alienation, one far more likely to not being capable of the kind of citizenship that we would hope is the legacy and the responsibility of all citizens.

Now, I mention that because of the increasing emphasis that is placed upon the job done by the so-called homemaker, in these times of equal rights and these times of active feminism, we have said, and rightly, that there should be equal pay for equal work; there should be equal opportunity in the marketplace. That is, sexual discrimination is wrong and there should be no limit to opportunity, based upon sex. I think there would be no dissenters on this floor to any of those propositions.

But what has happened, it seems, is that a great many young women, who do seek a career as a means of fulfilling and expressing their talents, are also experiencing the kind of pain and remorse and guilt in many instances that comes from not being with their children. Well, there are many who cannot make the choice, because they are single heads of households. They work not for fulfillment, but out of economic necessity. That is a problem

that I must tell you will have to concern us.

I would like to address it in this bill, but if not, we must do it soon, and the fact of the matter is, a great many young women have been made to feel that there is something inadequate in being a homemaker, that somehow there is something to apologize for if they are not out in the marketplace. There seems to be a countertrend, and this is not a philosophical judgment, but rather, it is an observation that there seems to be, among even young women interested in a career, a determination to take time out to spend time with their children in those first critical weeks, months, and years, in order to assure that the child does have the bonding, the attachment, the best possible break that can be given. And, of course, that has to come at the expense of time spent earning one's credentials and increasing one's earning capacity in a law office, in a real estate brokerage, in whatever form of endeavor the mother of that child intends subsequently to be engaged or was engaged before her pregnancy.

Now, the point is simply this: We need to assure that that at-home mom, to use the current phrase, receives equal treatment under the law in terms of Federal assistance being made available, and we are not talking about taking care of everyone. We cannot afford to do that. There is no need, I submit, for the Federal Government, for taxpayers, to subsidize upper-income familes.

What we need to do with the funds that are available, considering the vast number of children that already fall into this category, is to target the moneys to low-income families. Under the existing dependent care, an at-home mom, who chooses not to provide the second career for the family and the second income, cannot receive the kind of tax assistance, unless she is either a full-time student or she is disabled.

And if, in fact, you do wish, as a couple, to take advantage of the existing dependent tax credit, assuming your income limits are sufficient so that you are eligible, in order to get the credit, you have to submit documentation that you have expended funds for child care.

Now, I submit to you that, clearly, under those requirements, the at-home mom is going to get nothing from the dependent care tax credit. She cannot qualify. She does not submit a bill to herself for her services as a child-care provider. And in order to qualify, she has to document that she spent money on child care with a child-care provider, and also that she is either in the category of the full-time student, or else is, herself, disabled.

Now, that is wrong. Without intending to, we have discriminated against the very form of child care that many of these psychologists think to be the most desirable. And, again, I agree, there are some women who might love to do that, who simply cannot because they are the sole source of their own support and that of their children. They do not have that luxury. But to the extent that married couples decide not to have a second income, but to allow the mother to stay home with the child, we ought to be encouraging that, or at least we ought to be encouraging them to be able to make the choice, without the discrimination that presently Federal tax law imposes upon them.

We are discriminating under present day tax law against the at-home mom.

My question to my friend from Utah would have been essentially a rhetorical question. Does the Senator not think we ought to change the law to end that discrimination? And in light of his feelings about the value of that kind of child care, should we not instead be encouraging women to make that choice because they have the opportunity to do so without suffering discrimination under the Federal tax laws?

And I am sure his answer would have been, yes. There seems to be some dispute about it, but there is no dispute that the Dole amendment provides that under the earned income tax credit which is targeted to the working poor, which is targeted to those who really are not able to take advantage of existing law, and it is the way using the process of a refundable tax credit which the Dole bill does under both the dependent care credit, if that is chosen, and under the supplemental to the earned income tax credit, it makes cash available at the time of need in the paycheck. It makes it available as well to the at-home mom.

It is a situation that is devoutly to be wished for, this change that is offered by the Dole substitute.

So I will just say that I listened for several days as my friend from Connecticut and my friend from Utah took umbrage at the suggestions to change their legislation as amended, and I commend them—they have certainly sought to accommodate changes that have been argued by those of us on the other side to the point where my friend from Kansas, the witty Republican leader is now referring to it as the XYZ bill. It is true they have made changes, but there are still basic differences and differences that go to the most fundamental principles that should be foremost in our minds as we seek to enact child-care legislation.

We do wish to encourage women to make the choice to remain at home if in fact they can by removing the discrimination of Federal law and providing them equal access to Federal assistance.

We also provide, through the tax credit, not a rich program for a very, very few consumers, not for 3 or 4 percent, because of a requirement that market rate be added hereto; instead, we provide what is admittedly a modest tax credit on a refundable basis that is available to all eligible families, and those eligible families are targeted. They are the low income, the working poor, and that is as it should be.

A final point, Mr. President, and it has to do with this lovely chart here, a thing of beauty, but clearly visible. Let me read what is not legible at a distance.

This chart has to do with the increased child-care costs to parents of 5-year-olds in the event that all other States were to rise, that is, were to meet as a model standard the standard offered by the State of New York having to do with child-care ratios.

New York has what many would say are the most stringent standards. Others would say they are the highest standards. Some would argue they are the best standards, though I think my friend from Oregon, Senator PACKWOOD, threw some skepticism on that, ironically using the New York Human Resources Administration report that suggested that the best quality child-care is not necessarily that given by those who are best paid or presumably most educated.

But under this chart we would see that those States in green presently are those States which would involve about a $400 per child average annual increase to parents whose 5-year-olds would be enrolled in a center with 5-year-olds based upon current State standards, in other words, in Washington, Oregon, California, Nevada, Arizona, Montana, the Dakotas, Minnesota, Nebraska, Kansas, Michigan, Pennsylvania, Virginia, Vermont, Connecticut, and Maine.

It would require that those parents pay about $400 per child more annually than they now would be required to do if all met the New York standard.

Now in those States that are in this absolutely irresistible magenta color, Idaho, Wyoming, Utah, Colorado, New Mexico—I might say on behalf of those States they did not choose the color—Oklahoma, Louisiana, Arkansas, Missouri, Wisconsin, Illinois, Indiana, Ohio, West Virginia, Kentucky, Tennessee, Mississippi, Alabama, Georgia, Florida, North and South Carolina, Delaware, Rhode Island, Massachusetts, and New Hampshire, there would be an even greater dislocation. Parents in those States would suffer about an $800 per child on the average increase in what they have to pay annually for child care.

Now why go through all this? The reason is that there is an incentive offered in the Mitchell substitute. Much

has been heard that there is no discrimination between States, that there is a floor and all States will receive under an equitable formula proportionately the same amount after funding, but there is, of course, a national advisory council whose responsibility under the ABC bill is to devise standards, recommend standards, they are not mandatory as they were initially, but in order to encourage States to meet those standards, to come up to them, those recommended national standards, there is an incentive and the incentive is cash.

Well, as my friend from Oregon said, rare has it been that we have seen States able to resist the blandishment, the great temptation of such cash incentives.

So these recommended standards may very likely become virtually mandatory. Yes, it is true the States can choose. But if they do choose and if in fact they do come up to that highest national standard, if we were to take New York, with its existing standard and have to increase everybody else—the other yellow State, by the way, is Iowa, which is not regulated at all—then there would be a substantial increase in the cost of child care for all parents.

Now, it might now hurt those at the upper end of the income scale. But it certainly would hurt the middle class, and it might very well go a long way toward erasing a considerable portion of what is now intended to be used to purchase child care, shrinking even further the number of children who could be dealt with under the ABC bill.

Mr. President, you have to ask yourself whether that good intention will really result in the welfare of those children. Clearly it will not result in the welfare of the children who will not receive care because the Federal assistance provided by this legislation will not reach them.

Good intentions are not enough and we need to be very careful in this legislation not to provide a rich program to a very few, not to provide disincentives to at-home moms. We need to be very careful to include all eligible families, those meaning low-income working families, poor working families, those who really need assistance, and in our concern for quality we need not, we must not ironically discriminate as present tax law does, against those who according to the psychological experts, the child-rearing experts, are the great hope that America has of turning around a trend toward a different kind of citizen, one who does not empathize or feel obligation.

Mr. President, that is about enough for now. That really literally flows from the questions that I intended to ask my good friend from Utah and, of course, he had to go to the White House, so I thank him for his courtesy and I thank my colleagues for their courtesy and I yield the floor at this point.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. I see my good friend from Texas on the floor and he has been here for some time and I am going to make this very quick so I can give him an opportunity to speak. But I did not want the moment to pass here because there is some confusion, I can see, coming from those who are advocating the alternative proposal.

Basically, what we are looking at here is, if you will, Mr. President, three parts to the two bills.

First of all, there is the ABC portion, if you will, of the bill that is included in the Mitchell substitute. The response to the ABC part of the Mitchell substitute is the alternative block grant. Those two are comparable. We can like one or dislike the other, or whatever, but it is legitimate to have a debate comparing those two pieces of the two proposals: The substitute which is before us and the alternative which has been offered as an amendment.

Then we get to the tax part of the substitute and the tax part of the alternative. There are two parts of the tax proposal. The substitute offered by Senator MITCHELL includes a provision that allows for a refundable dependent child-care credit under the Bentsen proposal.

The Packwood-Dole proposal also has a refundable dependent child-care credit. Those two proposals are absolutely——

Mr. WILSON. Will the Senator yield for a question?

Mr. DODD. Let me just finish the thought. Those two proposals are equal. They serve the same numbers of families. The same kinds of families are served under both those dependent refundable tax credit proposals.

What is going on, and I understand why, is the advocates of the alternative want to compare the parts of the tax proposal to block grant proposal or the ABC part of the proposal. But, unfortunately there is no difference in those two parts.

There is a difference between the block grant, which is advocated by the advocates of the alternative, and the ABC proposal. There is a difference.

There is one other difference in the tax side. Senator BENTSEN offers a health care credit to all families, whether they be working parents, nonworking parents, to defray the cost of health insurance premiums. The alternative proposal offers an earned-income tax credit which families can use for whatever purpose they want. That is a legitimate point of distinction on that part of the tax credit proposal.

But the dependent refundable tax credit, there is no difference there. The suggestion somehow that they are serving more families or less families or different kinds of families—in fact, the Bentsen proposal serves, under that part of the proposal, actually poorer families because of the formula.

But nonetheless, there is not much difference there at all. The earned-income tax credit and the health-care credit, there is a difference. The health care credit goes to all families, but only for health-care premium costs. The earned-income tax credit goes for everything. You can buy beer, you can go out and buy hotdogs, radios, television sets. You do not have to spend it on child care.

LLOYD BENTSEN, in the Finance Committee, by a vote of 17 to 3 says you should spend that money on the child's health costs. The alternative says spend it on anything you want. That is a choice people would make.

But on the dependent care credit, the refundability, on that there is no distinction. Let us have a debate, if we want, on ABC, if you will, and the clock grant. Under the alternative block grant proposal, it is $400 million. It can only be spent in the States. In fact, there is a provision in there which specifically excludes—it mandates that not a nickle of that money can be spent on families and children. The law in the alternative says categorically none of these funds can be spent as direct assistance to families and children. It can only go to the States and State agencies and bureaucracies.

If my colleague wants to talk about a bureaucratic proposal, there it is. The ABC proposal says 70 percent of those funds must be spent on families and children and 30 percent, if you will, on availability and the State administration of that program.

That is a debate we can have. But to compare the refundable dependent care credit with the ABC bill, it is totally to miss the point. There is no distinction between those two parts of the packages before us. I want my colleagues to be clear on that point.

Mr. WILSON. Will my colleague yield?

Mr. DODD. I will be glad to yield.

Mr. WILSON. I thank my friend from Connecticut. The point is that there is no distinction between the refundable dependent care tax credits but there is an enormous difference between those and the earned income tax credit and the difference, the most significant difference is that the supplement to the earned income tax credit does allow the at-home mom to receive financial assistance that she cannot get under either the Dole or the Mitchell.

Mr. DODD. One point of distinction—if I can just reclaim the time from my colleague from California?

Mr. WILSON. The reason for that, very simply, is there still has to be documentation of the purchase.

The PRESIDING OFFICER. The Senator from Connecticut has the floor.

Mr. DODD. Under the health care credit——

Mr. WILSON. We are not talking about the health care credit.

Mr. DODD. I would just say to my friend, if he would listen for a second——

The PRESIDING OFFICER. The Senator from Connecticut has the floor.

Mr. DODD. I would say, the earned income tax credit, he is accurate on. That is the credit that people can use for whatever purpose they want, whatever their status is: working, nonworking, parents at home, parents on the job. They can get that earned income tax credit and as my colleague knows, they can then spend that on anything they want.

I must say, George McGovern ought to be here. I never thought I would see the day. When George McGovern, as candidate for President 17 years ago advocated $1,000 for every family in America to be spent on anything they want—I think we can go back and find the comments of my colleagues on the other side about that idea and how they reacted to it. Now I find in this alternative, we have sort of George McGovern's plan revisited 17 years later. That is fine. A lot of people supported that. I do not argue with that.

But Senator BENTSEN on the Finance Committee has advocated and has included here a health-care credit to go to all families regardless of the working condition, if you will, of either of the parents. That, again, is legitimate debate. But on the refundable dependent-care credit there is no distinction. There is no distinction on those two points at all.

Mr. WILSON. The point, I would say to my friend from Connecticut, Mr. President, is that the supplement to the earned income tax credit that is proposed under the Dole substitute is a young child supplement.

It is easy to say it can be used for beer, for movies, video games. It will be used for child care. But the most important thing——

Mr. DODD. May I ask my colleague up to what age? Up to what age?

Mr. WILSON. Under age 5. This is a very targeted credit and that is exactly the point. It reaches a need that neither the dependent tax care credit, refundable though they may be in your bill or our bill, reaches. That is why this is necessary. It is more the at-home mother.

Mr. DODD. I ask my colleague a question. If you are over 5, if you have a family, a child that is age 5 or 6 or 7, regardless of that child's needs, child-care needs, they get no help under that provision; is that correct?

Mr. WILSON. From that provision.

Mr. DODD. So you get no help.

Under the health-care credit proposed by Senator BENTSEN in the Finance Committee——

Mr. WILSON. Let me point out to my friend in answer to the question——

Mr. DODD. Is there any distinction in age?

Mr. WILSON. I gave an incomplete answer. What is true is that it does not reach children over the age of 5 but it reaches all of those under the age of 5 and includes those who are in the care of an at-home mother who otherwise would receive nothing because under the dependent care credit she has to document it.

Mr. DODD. There is an income cap under $15,000.

Mr. WILSON. Yes, of course. We are talking about the working poor.

Mr. DODD. If she made $16,000 a year and had a child age 5, she is out.

Mr. WILSON. We are targeting it to the working poor. There is no question about that.

Mr. DODD. Whereas under our proposal, the ABC proposal for a second, we allow the States to provide child-care assistance up to some, up to the median income, 100 percent. In your State of California, for instance, under our bill, just to make a point, under our bill California would receive $168.4 million. Under what you are advocating it is $46.6 million. The $46.8 million, not a nickel of that money under your proposal—correct me if I am wrong—in fact tell me that I am wrong—that you prohibit, specifically, one penny of that $46 million from going directly to families or their children? Is that not correct?

Mr. WILSON. No, that is not correct. That is not correct. Under the block grant provision——

Mr. DODD. Wait, wait. Let us not move off this point. Let me read the legislation to my colleague because I think it is extremely important that you read exact text of the bill.

Mr. WILSON. But the Senator——

Mr. DODD. Whoa. Whoa. Whoa. Whoa. Let me just finish this thought.

Mr. WILSON. The Senator is speaking about block grants, not the earned income tax credit.

The PRESIDING OFFICER. The Senator from Connecticut has the floor.

Mr. DODD. Let me read clearly, on page 19 of the alternative, paragraph C, line 15:

> A State shall not use amounts paid to or on behalf of it under section 670(k) to, one, make cash payments to or on behalf of intended recipients of child care services.

You prohibit specifically, in your own alternative.

Mr. WILSON. The Senator is reading from the block grant section and it does not have anything to do with income.

Mr. DODD. That is what we are talking about.

Mr. WILSON. It does not. I keep making the point to you. You are talking about block grant and we are not, and the reason for that provision, by the way, in the block grant section in ours is because through the tax credit provisions——

The PRESIDING OFFICER. The Senator from Connecticut has the floor.

Mr. WILSON. Would the Senator yield the floor?

Mr. DODD. I will. Let me finish the thought and I will be glad to yield to my colleague. I enjoy his comments. California loses that approximately $120 million that my colleague from California unfortunately does not want to see his State get, 70 percent of which would be going to the residents of that State to pay for their child care.

Under the block grant which is what we are talking about here, he specifically supports legislation that categorically prohibits any of that money going to the people of California to defer the costs of child care.

That is the distinction. We say that 70 percent of the funds of the $168 million must go to the residents and citizens of California. And also, we said, let California decide who within that range of zero to 100 percent of median income should get it. So under our proposal, middle-income folks in California, if the Governor of California, and my colleague could end up in that position, if the Governor of California and the State legislature want to provide that assistance to middle-income people in his home State, then he can do so.

We do not apologize for that, Mr. President. We think the States ought to have the right to make that decision. Under the proposals being offered as an alternative, there is nothing in there that provides any opportunity for middle-income people or people who approach middle-income status to receive a nickel, whether it be under the tax credits or under the direct block grant program. They exclude entirely working people who are not desperately poor. I think that is a fundamental flaw of the approach being offered by the alternative. I will be glad to yield to my colleague.

Mr. WILSON. I thank my colleague. In the first place, he is talking about the block grant section and the significant moneys in this legislation of his version and mine is that other than the block grant moneys. That is clear, I think. The other thing is that he says not a nickel goes to individual parents. The whole point of those of us who are continuing to oppose the ABC bill is that it allows parental

choice through a tax credit and it even allows assistance to go to those who are at-home mothers who cannot now, under either existing law or under either the ABC bill or another provision of the Dole substitute, claim that money because obviously a mother at home does not bill herself for her child care services. I also would not take kindly to it.

So instead, what we have done to reach that poor mother in a working family who chooses to stay home rather than earn a second income for her poor family in order that she can provide child care, we provide a refundable tax credit as a supplement to the earned income tax credit, and it is a child-care supplement. I am not very much concerned that it is going to be abused. I think that people will use it for the intended purpose. I trust them, and as the future Governor of California, which I hope I will be, I would say—I thank my friend—that I would be delighted——

Mr. DODD. This is not an endorsement, I want you to know.

Mr. WILSON. That is not why I was pressing you. You can be certain that I or I would hope any other Governor of California would prefer to see the choice not made by a State bureaucracy assigning parents to child care providers, but through the use of a tax credit. Let the parents themselves make that choice. But we are not talking about the block grant section. What we are talking about is the earned income tax credit supplement which the ABC does not have. Therefore, an at-home mom does not receive assistance under the ABC bill.

Mr. DODD. I thank my colleague. Just quickly, on the ABC bill, there is a tax credit for health care. It goes to parents at home or parents working. That is in the ABC proposal. Second, on the refundable dependent care credit, there is no distinction between the two bills. There is a distinction between the block grant proposal and the ABC proposal. I think we ought to be talking about the comparisons on those levels rather than trying to compare the tax credit side, where there is some distinction, and the block grant approach.

Under the block grant approach, the fundamental distinction is we provide direct assistance to families, including the option to provide assistance up to middle-income folks in some cases. Let me finish the thought. That is totally excluded, in fact, categorically prohibited under the block grant section of the alternative being offered by Senators PACKWOOD and DOLE.

On the tax side, there is no distinction on the refundable dependent care credits. There is distinction on the EITC and the health-care credit. There is debate on that.

I would suggest what may happen, I presume it may at some point here in this debate if we can come back to the Mitchell substitute, someone may offer an amendment to deal with that particular function. I do not know why we are not doing that and debating that distinction rather than going through this process. Nonetheless, I think it is important to keep things clear as to where the legitimate distinctions between the two bills are. I yield the floor at this point.

Mr. WILSON. May I ask a couple questions? How much is provided under the ABC block grant?

Mr. DODD. Under our entire bill, we provide $1.75 bilion, 70 percent of which is mandated—it is not a choice—it is mandated and must go directly to parents and children. And there is 22 percent which goes for supply to increase the availability, and 8 percent——

Mr. WILSON. That is what you are talking about in block grants, 22 percent?

Mr. DODD. Eight percent goes for State administration.

Mr. WILSON. So you are talking about the 22 percent plus 8 percent for administration; is that what you are referring to? I thought the block grant referred to just 22 percent. Thirty percent, so that is not all of the bill, it is just 30 percent of it. We have been talking about block grant, or rather you have been talking about block grant.

Mr. DODD. What percent of your block grant goes directly to parents and children?

Mr. WILSON. All except the block grant to the State, which is just $400 million.

Mr. DODD. No; of the $400 million, do you mandate or prohibit direct payments to families with children?

Mr. WILSON. Not under the block grant proposal because all of the rest of it goes to the parents to make that choice under the tax credit proposal.

Mr. DODD. I will just ask my colleague a question. Do you not prohibit the expenditure of any of your block grant funds directly to families?

Mr. WILSON. The block grant portion is essentially the same percentage as in yours.

Mr. DODD. I am asking whether or not——

Mr. WILSON. All the rest of it goes to the parents in the form of tax credits and that——

Mr. DODD. I am asking a simple question. Do you or do you not prohibit any of your block grant funds——

Mr. WILSON. In the block grant, which is the minor portion of the money, and it is prohibited there for the very simple reason that all of the rest of it goes directly to the parents in the form of a refundable tax credit, not under the ABC bill to a governmental entity that will make that choice for them.

(Ms. MIKULSKI assumed the chair.)

Mr. DODD. Let me make that point here. You do not allow the parents discretion in your alternative. You say categorically shall not use these amounts to make cash payments to or on behalf of intended recipients of child-care services. You absolutely prohibit, you do not even give the States discretion to decide whether they want to help out families. You say categorically you cannot use any of that money to defer the costs of child care. That is the only point I was trying to make in the comparison between the two.

Madam President, I know my colleague from Texas has been anxious to speak.

Mr. WILSON. Madam President, before my friend from Texas is recognized——

The PRESIDING OFFICER. Does the Senator from California seek recognition?

Mr. WILSON. Yes, I do, Madam President.

The point very simply is this. The Senator from Connecticut is talking about block grant. Block grant is a minor portion of his legislation. It is a minor portion of our legislation. The 70 percent that provides the funding directly for child care under the Dole substitute is provided to the parents through the form of a refundable tax credit which means cash, which means they go into the marketplace and they make the choice with the 70 percent. Whereas under the ABC bill, they may get some that way through a voucher, but there is a very good chance that the State government or some other unit of local government will decide that they know better and that they will choose for the parent the kind of child care that their child should have and they will essentially assign that child provider to that parent.

That is not maximum parental choice however you try to frame it, and that is the point. And speaking of flat prohibitions, there is an implicit, an unspoken prohibition in the ABC bill against Federal assistance to the at-home mom who cannot qualify under existing law or under what is proposed for a dependent care tax credit. It is no good to talk of a refundable tax credit to her because she cannot get it because she will not qualify because she is at home rather than purchasing that child care through a provider. She is not going to bill herself, or if she does, IRS is not going to give her a credit. That is precisely what the child supplement to the earned income tax credit under the Dole substitute does provide, so we do have a situation where there is equity and the at-home mother can receive Federal assistance.

I yield the floor to my friend from Texas, and I remark upon his uncharacteristic but commendable patience.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Madam President, I was highly educated by that exchange.

Madam President, I am not going to get into a great debate here about what color this lizard is because it is going to change colors. In fact, I think the plain truth is that this ABC proposal has changed so often that very few, if any, people in the Senate really know what the proposal intends.

Instead, Madam President, I want to debate the fundamental issue, which is not how many hundreds of millions of dollars are going here and there, but the issue underlying the proposal that we have before us.

I want then to discuss our alternatives.

Madam President, I never cease to be amazed at the arrogance of Government. We have a proposal before us today that says, in essence, that both the family and free enterprise have failed, and therefore Government is going to step in and solve our child-care problem with guidelines, with regulations, and with programs.

Now, Madam President, let me first note the fact that this is the same Government that has for 50 years stepped in to solve all of these problems that face our society. This is the same Government which is now going to solve our child-care problem that fought and lost the war on poverty with a welfare program that has destroyed the poverty home, increased dependency, crushed incentive, and made poverty a profession. This is the same Government that has spent billions of dollars on housing projects that have become the center for drug trafficking, and have become the home for the destructive forces that prey on the very people we are trying to help. This is the same Government, through increasing intervention at the Federal level in the last quarter century, that has created an education system that produces results in terms of hard achievement that lag far behind the results being produced in countries that are poor by comparison to America and that invest relatively small amounts of resources to achieve significant results.

Suddenly, miraculously, with this track record of failure, we are now telling the people of America that the family has failed, that free enterprise has failed, but that we will step in and solve the problem of child care.

The paradox of this proposal we are debating is that this movement toward intervention is exactly counter to the movement that is going on elsewhere in the world. All over the world we hear words like "perestroika" and "incentive" and "restructuring," and yet here we are in the Senate talking about expanding the power of the Federal Government into something as fundamental to democracy, and as fundamental to the basic structure of our society as child care. It is a great paradox, Madam President, because the whole world is moving in the opposite direction. In fact, if the Federal Government is the solution to the child-care problem, if something so fundamental as the care and raising of our children can be done better with Federal regulations and Federal guidelines and Federal programs, why are there not protesters in the streets of Washington demanding more Government instead of demonstrations in China demanding less. Why is there not a hew and cry in America for us to expand Government and its miracles into more areas of our lives. I submit that the concept of perestroika has yet to permeate the thick walls of this great historic Capitol in which we serve. It is a paradox that we are debating extending Government power. We are so out of step with what is happening in the world around us that we are, in a country that is the envy of the world, attempting to imitate a system that is failing and being replaced throughout much of the rest of the world.

Madam President, there is an alternative to all of these new guidelines and all of these new Federal directions. I would like to just touch on briefly what I think that alternative is.

First of all, let me note that 115 million Americans are working. That is a larger percentage than can be found in any other nation in the world. Americans are working more productively than any other people in the world. There are 245 million Americans, so that means 130 million Americans are not employed. There are 130 million people in this country who are not employed in the direct production of goods and services in the marketplace for which they are being paid a wage. It is obvious, Madam President, how our Nation takes care of the 115 million people who are employed. They are earning a paycheck and they have the best welfare program that has ever been known; a job. They have the best housing program in the world; they have bought, or will buy, their own homes with their own money. They have the best education program in the world; they save enough money to send their children off to the University of Maryland and University of Texas and Texas A&M and to Johns Hopkins University.

But how do these other 130 million people make it? What happens to them? Well, the vast majority of them, Madam President, are cared for by the 115 million people who are employed. If fact, over 100 million of them are not the direct beneficiary of any Federal or State program that is aimed at taking care of them; 100 of the 130 million people who are not employed in the economy are cared for by the 115 million who are, and they are cared for in the most efficient system that has ever been known in history. The primary driving force behind that system is one of the most powerful forces in the world, and that force is love. The institution that makes it possible is the family. In fact, the great majority of the 130 million Americans who are not employed outside the home are cared for by people who love them who are employed. They need no Government program to induce them to take care of their own families. They do it because they care about their people, and they do it with an efficiency and with sharing and with love that can never be matched by a Government program.

Madam President, it seems to me, having seen the best and the most efficient program that has ever evolved in history, the family, and that miracles are at work in our society and what we need to do if we believe there is a child-care problem is to try to find ways to make it possible for this great and powerful institution that we know as the American family to address the problem.

I think there is still a great fundamental difference in this bill, a fundamental difference between what is left of this ABC bill and the alternative which has been offered by Senator DOLE. I think the difference basically boils down to the parts of the bill that have to do with how we are going to help familes help themselves. Both bills offer tax credits. Both bills have Government programs. The Dole substitute has $400 million worth of programs, basically assistance going to the States. I am under no delusion; most of that money will be squandered. But there is still a fundamental difference, and the difference has to do with the earned income tax credit as opposed to a roughly comparable amount of $1.2 billion that is going to be given to the States and which the States are, in turn, going to give to people.

Now, our dear colleague from Connecticut said, well, all of it is going to the families, or the great preponderance of it is going to go to families, and that is right. All of the earned income tax credit is going to families. Is it more effective to let families keep more of what they earn, and for those who are working and below the threshold we set, to give them additional funds, and let them decide what to do to help their children or is it better to have a Government program brimming with guidelines, whether they are set by the Federal Government or by some commission, whether

we have States set them within Federal guidelines?

Is it better to let families decide how to spend the $1.2 billion, which, after all, they have earned, or is it better to have Government set the directions and the guildelines under which that money is going to be spent? Now, it seems to me, Madam President, that that is the fundamental issue. The issue is, do we know better what is in the interest of the American family than the people who make up that family? One of our colleagues pointed out that if you have an earned-income tax credit and you let the family keep more of what it earns, you have no guarantees that they are going to spend it on education or health care or child care.

Well, Madam President, does Government love America's children more than the parents do? Do we have greater wisdom than is possessed by the 100 million households in our Nation? Are we somehow given wisdom which is lacking in every household in our country?

The fundamental difference here is the difference of approach. One approach emphasizes freedom, and the other approach emphasizes Government. Now, you can point to ways that the bills are similar; you can try to take definitional differences, but when you get down to the bottom line, despite all the effort to change the ABC bill, it is still a bill that, when you reduce it down to the differences, as compared to the alternative being offered, the difference boils down to the Government making decisions, based on guidelines and objectives set at the Federal level, at the State level, by great intellectuals, but not set by the mothers and fathers of this Nation. It is a question of whether you have more faith in the families of America or in the Government of America.

Let me tell you, Madam President, when I have to choose between the American family and government at the Federal, State, and local levels—in fact, all combined—put me down as a guy who long ago decided that there was more wisdom in the collective thinking of families than there is in the thinking of the Federal Government.

Madam President, I am opposed to this ABC bill. It is not as bad as it once was, but it is still poor policy, which, paradoxically, is moving in the direction from which even the Soviet Union is retreating. It is a great paradox, and I conclude on that point, that when the rest of the world is deciding that freedom is the answer, we are in the process of assaulting the greatest institution ever created, the greatest institution that ever evolved, which is the family, and we are placing our reliance not in the family for the care of our children, not in the family for future generations, but in the Government.

Now, Madam President, is there so much more wisdom, at least with the people in China, and even the leadership in the Soviet Union, than there is in the United States Senate, that suddenly we discover in an era of new thinking and perestroika and new ideas that we want to go back and have the Government make decisions that have historically been left to the American family?

I am not saying that there are no child-care problems, but I am saying that the one institution that has consistently done the best job in providing child care is the family. Those nations that have turned their backs on the family have done so at their great peril. When we have to make a choice here, I am going to come down on the side of the American family.

If there is a problem in child care, it is not that the families do not want it; it is because the Government absorbs so much of available income that they cannot pay for it. If we are going to deal with this problem, let us let families keep more of what they earn, so that they may spend it on child care. After all, every dollar we are going to spend here, is a dollar that we will take, ultimately, away from American families.

Now, Madam President, are we to believe that if we take money away from parents and spend it through Government programs on child care, that we could spend it better than the family could spend it, if they kept the money in the first place? I think not.

I know there are many who are hoping that if we reject this substitute, that we can go ahead and vote up the ABC bill, as amended, and then we can go through and amend it a hundred and one times and end up basically with the Dole substitute. That may not happen. I submit that we may end up with a bill that we do not want, a bill that will do harm to the greatest institution of our society, which is the family. I think we should be very careful in these areas, that when in doubt, we ought not be tampering with the greatest institution in our society.

I yield the floor.

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Madam President, there is nothing so promising as bringing together the wisdom of age and the future of youth. This chamber often turns its attention to these two important segments of our society—calling our older Americans our Nation's most important resource and our children our hope for the future.

Today I rise to support a provision of the republican package that facilitates the interaction of the two through child care. It is a provision to exempt child-care earnings from the Social Security earnings test for Americans age 65 and older.

As many of your may remember, I first proposed a version of this provision last Congress in my own child-care initiative, and now I'm delighted that with the efforts of my distinguished colleagues, Senators ARMSTRONG, WILSON, and a number of other cosponsors, we have successfully included this important provision in the Republican child-care package.

Among the other cosponsors of this provision, as an independent measure, have been Senators COATS, D'AMATO, GORTON, MACK, BOSCHWITZ, MCCAIN, GRASSLEY, as well as Senators ARMSTRONG, WILSON, and myself.

The concern for quality child care has become an important issue in recent years—and with good reason. As the demand for quality and affordable child care grows, there is a corresponding increase in the need for qualified providers. And of course, among those most qualified are our older Americans—those vital members of our society who have raised their own children and helped raise their grandchildren—two, sometime three, generations of Americans.

Fortunately some of these Social Security recipients have already joined the much needed child-care force, moving into a second career in this area. To these people we are grateful—especially grateful that they have chosen to do so even when it proves detrimental to their Social Security status.

However, there are many more who are reluctant to enter this rewarding field because of the sacrifices demanded by the earnings test under current law—a test that requires Americans between the ages of 65 and 69 to sacrifice $1 in Social Security benefits for each $2 in earnings that exceeds a specified earnings limit. Although the penalty next year is scheduled to decrease to $1 in benefits for each $3 earned above the limit, the disincentive will remain unless we change it.

Madam President, this is the purpose of our provision.

Simply put, the Roth-Armstrong-Wilson plan will remove the disincentive under current law and allow our seniors, 65 and older, to work as child-care providers without sacrificing any of their Social Security benefits. Fortunately for those families depending on them, there are a number of seniors already working in child care. My provision would doubtless encourage many more to become involved.

At the same time as it helps respond to the need for qualified child-care workers, our plan will enrich the lives of both senior citizens and children, promoting a valuable interaction between the generations.

I emphasize that there is a shortage of qualified child-care workers, and

what my amendment would do is to permit us to tap a tremendous resource. Madam President, there was a time in this country when a typical child grew up in the same house, or at least close by, to his or her grandparents. Sadly, those days have passed. Society has truly lost something when the young and old are separated. The Roth-Armstrong-Wilson provision is one way to bring children and seniors together again.

And what is even more attractive about our plan is that for all it accomplishes, its cost is relatively modest. The CBO has estimated that exempting senior child care workers from the earnings test would cost $15 million in fiscal year 1990 and eventually rise to $20 million in 1994. What's more, Senator ARMSTRONG has identified a mechanism to offset the entire cost of the provision, simply by slightly changing the system for repaying Social Security recipients for underpayments. Here alone, enough money can be saved to finance the earnings test exemption for child-care providers.

As you can see, this plan is good. It is good for our older Americans, good for our children, and good for a Nation that is presently crying out for quality care in this most important area. It will remove disincentives. It will provide solid alternatives for parents. And perhaps most importantly if will span the gap between two American generations with a bridge of insight and understanding that will long benefit our country.

Madam 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.

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

The PRESIDING OFFICER (Mr. DODD). Without objection, it is so ordered.

Ms. MIKULSKI. Mr. President, I would like to talk a little bit about the ABC child-care bill and share with my colleagues in the Senate an interesting experience I had this morning.

As many Members of the Senate know, I live in Maryland and I commute every day. It is indeed a blessing because that way I can be right there with my constituents and be able to hear their day-to-day needs and their concerns about what we are doing.

This morning I got up early and I was taking a walk around my neighborhood in Baltimore called Fells Point. It was about a quarter of 7. Fells Point is a neighborhood down by the waterfront.

I came upon the area where they are doing some remodeling. A construction crew was out there working and they were yelling "Hi, Barb," and so on.

One of the construction workers, a black man, said: "Senator, Senator, I want to talk to you a minute."

"Sure," I said. "What can I do for you?"

He said, "I want to talk to you about the ABC bill."

Let me tell you I was absolutely surprised. Many of my constituents say "I want to talk to you about care for the elderly." Very few people talk about a specific bill. So I was absolutely surprised.

I said, "Sure. What do you want to know about the ABC bill?"

"Well," he said, "I have been listening to those talk shows and I am scared to death. Is Government going to tell me how to raise my children?"

And I said, "Absolutely not. Where did you hear it?"

Well, it seems he has been listening to some of the late night talk shows and you would not believe, Mr. President, what that man's picture of what the ABC bill, was, full of myth, full of misguided information. He thought that Government was going to tell him how to raise the kids, and that we would tell them where they had to take their kids.

And I said to him:

First of all, thanks for stopping me, and it is our position, Senator DODD, Senator HATCH, your Senator here, BARB MIKULSKI, Senator PAUL SARBANES, we happen to believe that the best child care is what a mom and dad gives you and that moms and dads are the ones to say what kind of child care kids should have, what kinds of things they should be taught in the home, what kinds of prayers they should say. That comes from moms and dads.

And he said, "Well, the way they talk about it on the talk show, it sounded like some kind of communism to me."

I said, "Sir, the ABC bill is not kiddie-care communism. Far from it. In fact, what it is, is the ability to provide for an opportunity."

I talked to him a little bit more and I found out, yes, indeed, his wife works and they do need child care, and they turn to a grandmother. I assured him that under our legislation of the ABC bill family members qualify for the program, that if he chose to use his church, the AME church, he could certainly use that or if there was a private sector facility, he could do that.

We talked for about 10 minutes, Mr. President, and at the end he shook my hand, went off to pick up his hammer and his shovel and he said, "Senator MIKULSKI, thanks for setting the record straight."

Well, I thanked him for asking the questions.

And in the conversation, now, I would like to set a little bit more of the record straight because if that man did not get the facts straight, I believe a lot of my other constituents in Maryland and this country also do not have it straight.

One of the things that I want to get straight is not only what our bill does but what the Dole substitute does.

First of all, very few people realize that the substitute that is being offered only cares for children up until the time they are 5 years old.

Mr. President, I do not know about the kids in other States, but my 5-year-olds cannot make it on their own. They do not get up in the morning, pick up their briefcases, get out there on the Baltimore Beltway and go to work. They are little kids. You need day care when you are 5, you need day care when you are 7, you need after school supervision when you are 10 or 11.

That is why something that only helps a kid up to 4 leaves an age gap of about 10 years.

The other thing that the substitute does not deal with is safety and supply. I am not going to get into the supply issue, but I do want to focus on safety, Mr. President.

Parents wonder and worry about safety. Everywhere I go parents talk to me about safety. They are worried about Alar in apples. They are worried about radon and asbestos in school. They are worried about drug dealers and porno predators on the street. They are worried about the safety of their children.

They want safety. They demand safety, and they want us to do something about it. They want us to do something in cooperation with that.

Mr. President, what are we talking about when we talk about safety standards under your bill, the bill that you worked on so carefuly over many months, working on a bipartisan basis with our colleague, Senator HATCH?

First of all, we agree we do not want kiddie-care communism and we sure did not want kiddie-care OSHA, but we did want safety standards.

We are talking about building safety. We are talking about staff ratios. But we are talking about commonsense approaches.

We do not want to see our kids falling down wells like little Jessica McClure.

We do not want to see 20 kids in a basement with no windows and no supervision. And time after time I have listened to the debate now about Government intervention.

Well, Mr. President, Government is already involved in safety. When a child's dad goes to work there are safety standards in his factory. When a mom goes to work in a nursing home or a hospital, there are safety standards for the workers and for the patients. Certainly when a child walks into a day-care center there should be the same kind of safety standards for the child as there are in a factory.

Our children have the right to the same kind of protection as a worker in factory.

Mr. President, just like I said to a gentleman this morning when I walked around Fells Point in my own home neighborhood: I want to set the record straight. We have a real good bill here and what we are talking about is not some new Government program but really a Government opportunity, an opportunity so that when people go out there and work, put on their socks every day and just get out there and try, that they do not have to wonder what is going to happen to their children.

We have come up with a modest approach that provides day care in a way that makes it available, affordable, competent and safe. I would like to congratulate the architects of this bill, Senator DODD, Senator HATCH of Utah, and or colleagues, Senators BENTSEN and MITCHELL.

I am happy to support this bill. As we try to set the record straight, I would really caution people very carefully about the negative consequences of the Dole substitute.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ARMSTRONG. Mr. President, I rise to join my colleague from Delaware [Mr. ROTH] in pointing out a provision of the pending Dole et al., substitute that is especially close to my heart. It is, in substance, a proposal which was introduced first by Senator ROTH and Senators JIM EXON, PETE WILSON, AL D'AMATO, and I and some others, which really goes right to the heart of this whole child care issue, but also brings into perspective another very closely related matter which I hope will be the subject of thought and consideration in this Chamber, not only today but over the next several months, and that is the question of the Social Security earnings limit.

Mr. President, I have spoken about the earnings limit on a number of occasions. I guess it will come as no surprise to a number of my colleagues that I think the Social Security earnings limit is about the most anachronistic, unfair, burdensome provision of the Social Security law. I think probably every Senator knows how it works, but just to recap it briefly: If you are in the affected age bracket, that is from age 65 to age 69, you have to give back $1 for every $2 that you receive in earnings above $8,800 per year. That amount is scheduled to go up slightly and the formula, the match is scheduled to change from 2 to 1 to 3 to 1, so it will become less burdensome in the future.

But at the present, as it now stands, it means that if someone is retired, drawing Social Security, and holds a part-time job or maybe even desires to hold more than a part-time job, that they literally are subject to a tax burden of upward, in many cases, of 80 percent.

Here is how that works. First, they have to give back 50 cents of every dollar they receive as a give-back on their Social Security. Then they pay their Federal income tax which might be 15 percent. It might be up to 28 percent. Then they have State income tax, payroll taxes, and then of course the cost of performing their employment, transportation, and other things. They very easily could face disincentives upwards of 100 percent and in some cases we know that happens.

Obviously this is unfair. What does it have to do with child care? Well, the Roth-Armstrong-Wilson-Exon-D'Amato amendment which has been incorporated by Senator DOLE into the proposal which he is advancing simply provides that the Social Security earnings limit will not apply to those earnings which are derived from the provision of child care. It is a neat solution not only to an injustice for a certain group of people under the Social Security earnings limit but it will also make available child care that would not otherwise be available from a group of people who are well positioned both by experience and time to do so.

Mr. President, I will send to the desk and ask that we have printed in the RECORD just for the reference of Members a brief description of the Roth-Armstrong-Exon-Wilson-D'Amato-Gorton amendment which has been incorporated by the Republican leader into his amendment. My fact sheet discusses in greater detail why we think this concept is good soicial policy, why it will be helpful in providing high-quality child care for people around the country, and gives the detail about the earnings limit as it now exists.

I now ask unanimous consent the material be printed at this point in the RECORD.

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

THE ROTH-ARMSTRONG-WILSON AMENDMENT

CURRENT LAW

Under current law, senior citizens between age 65 and 69 who wish to earn income as child care providers (or in any other field) face sharp reductions in their monthly benefits if their earnings exceed a specified amount. For 1989, the exempt amount is $8,880. Those earnings above this limit will receive a cut in Social Security benefits of $1 for each $2 of earnings above the limit. Although in 1990 the ratio improves slightly to a cut of $1 in benefits for every $3 they earn above the limit, for many seniors, a loss of benefits would offer little incentive to pursue employment opportunities. The earnings limit poses a particularly strong work disincentive to those interested in typically low-wage fields such as child care.

THE AMENDMENT

The amendment would exempt child care earnings from the Social Security earnings test for workers age 65 and older. For the purposes of the amendment, the definition of child care services includes direct services on a person-to-person basis and indirect services to assist parents such as resource and referral providers.

According to the Congressional Budget Office, the cost of this amendment would be $15 million in the first year (FY 1990) and $85 million over five years.

WHY THIS AMENDMENT SHOULD BE ADOPTED

It provides a solution to two serious problems. Within the last several decades, the trend away from the extended family and an age-integrated society and toward the nuclear family and an age-segregated society has been significant. With the increasing prevalence of this nuclear family, opportunities for frequent interaction between the young and old have diminished. Most would agree that we need to alleviate both this separation among the generations and the unfair burden placed on the elderly by the earnings limit.

CBO estimates that the amendment will immediately help 14,000 senior child care providers. This amendment will help ease the shortage of quality childcare providers in the industry, and reward those who offer their important talents to the child care industry.

The amendment is good social policy. The earnings limit imposes a strong disincentive on elderly who want to continue working. By removing the earnings penalty for elderly in professions that perform child care services, we encourage the marriage of two of our nation's most valuable resources, our children and our elderly. In this action, everyone benefits.

The exemption from the earnings limit would be targeted at a traditionally low-wage profession. According to the Department of Labor, the average child care service provider earns between $8,000 and $12,000 annually. Although every profession can benefit from the expertise and talents of elderly workers, it is hard to imagine a field better suited to our nation's seniors than child care.

The mechanisms for administering this change in policy are already in place. Currently, employers provide to the Social Security Administration information on the wage earnings of Social Security eligible employees. Wages earned in providing child care services could be easily reported separately on the same form. These earnings, then, would be simply excluded from the calculation of total wage income for the purposes of the earnings test.

The earnings test, itself, is bad labor policy. Many of our elderly are caught in the earnings test trap; faced with 50 percent benefit cuts if they continue working, they have been driven out of the workplace. Currently, 83 percent of all men and 92 percent of all women age 65 and over are completely retired. Between 1970 and 1985, the retirement rate among those 65 years old has increased by 40 percent. In the face of the labor shortages economists are now predicting for the United States, this problem takes on new dimensions.

The earnings test is outdated. Many elderly citizens, while ready to reduce their work activity, either cannot afford or do not wish to withdraw completely from the workforce. Many desire to remain active. Some need additional earnings to meet living and

health care expenses at a time when their principal sources of income are fixed. By exempting those in a specific field from the earnings test penalty, we are saving at least some of our seniors from an anachronistic, negative social policy. By targeting the child care profession in particular, we are doing much more—we are taking one step forward.

Mr. ARMSTRONG. Mr. President, I am not here to belabor the issue. I hope it will be adopted as part of this amendment and then on another occasion I will be back to disucss the broader implications of the Social Security earnings limit in the hope we can amend or lift or at some point even abolish it as it relates to the other occupations as well.

I thank the Chair.

Mr. KASTEN. Madam President, I rise today in support of the Dole amendment because I believe that this approach will provide quality care for the children of America.

Madam President, the Dole amendment will incorporate the three basic principles that I feel are important in ensuring quality child care. Those principles are: First, broadened parental choice; second, nondiscrimination against stay-at-home parents; and third, targeting of assistance to the families that need it most.

First, we have to maximize parental choice. Parents are, after all, the best judges of the quality of child care, and of the interests of their children. A refundable tax credit targeted toward lower income families provides the greatest direct benefit to families most in need, while assuring flexibility and parental choice.

Churches, neighbors, friends, and family members play a vital role in providing child care. Federal policy should expand the range of choices available to parents, and not funnel them through a biased Federal support system toward a particular kind of care. Regrettably, the ABC bill minimizes parental choice by requiring Federal and State bureaucracies to decide the type of child care that will be provided, where it should be provided, and which families ought to receive assistance.

The ABC bill also requires training programs for child care providers, even for family members. Grandmothers would actually be required to undergo training to care for their own grandchildren.

The Dole amendment expands upon the current Social Services Block Grant Program. In fiscal year 1988 States spent more than $500 million of their SSBC funds on child-care programs. Under the SSBC Program, States may use their grants for such child-care programs as consumer education, enhanced enforcement of standards, as well as training and technical assistance to providers.

Second, we should not discriminate against parents who choose to stay at home—those families that have chosen to sacrifice a second income in order to permit one parent to stay at home to care for the children. The ABC bill would not give assistance to any of the approximately 56 percent of children in this country under the age of 4 whose mothers stay at home to care for them.

The Dole amendment takes into account the sacrifices of these mothers and provide an earned income tax credit for them.

Third, those families most in need should be targeted for assistance. While the rhetoric surrounding the ABC bill is raising the expectations of families with some 18 million children, a mere 1 million children—at best—will get assistance under the ABC bill. Parents with the lowest incomes will thus have the fewest options for child care.

The shortage of quality child care is one of the most important problems facing America. That's why I support a refundable tax credit approach that embodies the three major principles I have mentioned, principles that will help us deal with this problem in an adequate and effective way. Because the ABC bill is fundamentally flawed, simply adding a tax component to it is not sufficient.

Madam President, I urge my colleagues to join me in supporting the minority leaders' amendment.

Mr. DODD. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Ms. MIKULSKI). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. SANFORD). Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, I am here on the floor to express my support for child-care assistance for our Nation's low-income families. But I am also here to suggest that there is a better way to provide such assistance than S. 5.

I say that because I believe this debate should focus on two fundamental propositions. The first is that parents know what best meets their child-care needs, and whatever we do at the Federal level ought to enhance their choices. Second, the States are competent to license and regulate child care and do not need Federal guidelines that in any way complicate their efforts.

If we agree that our approach ought to be consistent with these fundamental points of view, we are led to conclude that the alternative now before the Senate is the best bill the Senate could enact to help those who need Federal financial assistance to pay for dependent care services for family members.

I think we should all agree that parents understand, better than the Government, their own family needs, their schedules, their financial situation. Many have access to neighbors and relatives who can and do provide child care assistance in ways that provide flexibility for parents and more intimacy in the relationship between care givers and children.

Other parents prefer local child-care centers, where there is more diversity and structure for the child and, perhaps, specialized child development education programs. Others prefer religious day-care programs, where children are exposed to religious values and teachings.

Many mothers choose to stay home and care for their children themselves. This choice is not easy for low-income families, but it is being made by a greater number than many realize, and families making that decision should not be left out.

These diverse child-care preferences cannot be placed in carefully defined, neatly categorized compartments and dealt with in a one-size-fits-all piece of legislation. There has to be flexibility in any program we enact.

Some studies, for example, suggest that what is best in these modern times are state-of-the-art child-care centers that provide so-called scientific child care. Other studies have concluded the best day care requires large doses of custom-made love that can come best from mothers, fathers, grandparents, and other relatives.

These differences of preference lead me to believe that the Federal Government should be very cautious as it attempts to help families with their child-care needs. It seems to me that the most effective and least obtrusive help would be more money for individual families to address their own particular child-care needs as they see fit, not as we see fit here in Washington.

The simplest way to do this would be through the Tax Code. Working families are trying as best they can to live on the income they earn each week. Why not simply decrease their Federal tax liability so they will have more income to spend on child care? If they do not earn enough to pay Federal income taxes, why not approve a tax credit that is refundable, so they will have additional funds to obtain assistance in dealing with their dependent care needs in the way that they choose, perhaps to help pay the costs incurred by a relative or to compensate a mother who decides to forego a job and deal with this problem on a personal basis, maybe by taking in neighborhood children?

Mr. President, I think that is a better way to get real help to the people who need it most. Why does the Federal Government need to collect taxes from all of these families,

and then give it back to some of them? I think that is what the committee bill would really do. The committee bill would not generate enough money for everybody who needs assistance. Many of the same families who could be helped through the Tax Code would not be reached by the tax-supported direct services contemplated in the bill reported from the committees.

The committee bill could be a needless complication and a less effective way to help most needy families. In the alternative legislation, however, tax credits, expanded earned income tax credits, and a refundable dependent care tax credit would allow families to keep more of their income and to enhance their child-care choices. That, Mr. President, is very appealing to me. That is why I am supporting the alternative now before the Senate.

I am also concerned, as I mentioned at the outset, with the fundamental value this Senator places on the power of the States to do the things they do best. I am not convinced the Federal Government would do a better job of regulating existing day-care facilities than State governments. I know the revised bill replaces mandated Federal standards with so-called model standards. If the States have to compare themselves with these standards on a continuing basis, however, it is only a matter of time before the model standards become mandated standards.

Are we telling our States that they are not up to the job of supervising what is best for the children who live in their States?

My State of Mississippi has had child-care licensing standards since 1972, and revisions have been made from time to time. In light of the growing child-care problem, a Governor's task force on child care was created to study our State's needs and to recommend policies on accessibility, employer support, and service quality.

Many long hours of work and study resulted in a long list of recommendations, and implementation efforts are now underway in Mississippi to put these in place, through improved legislation, administrative modifications, and attractive incentives for employers.

Federal Government guidelines contemplated by the committee bill may conflict with recommendations by the Mississippi task force. What if the guidelines complicate and unnecessarily burden the efforts already underway? They may lessen the availability of services and facilities, and they are the wrong signals for the Federal Government to give at this time.

In closing, Mr. President, I think that, given the fact that we do not need a new program, we need to expand the dependent-care block grant program. The alternative legislation expands this $11 million program to a $400 million program, and that would be an important positive step.

Such an expansion would enable States to establish low-interest-rate loan programs for day-care service providers. Such loan programs would enable providers to improve, upgrade, or expand their facilities.

I think that is an important part of this alternative, and it would be an important improvement over the current situation. Additional funds in my State could create resource and referral services to help parents in all parts of the State to locate appropriate quality child-care assistance. They could be used to develop a comprehensive plan for determining the need for child-care services or for the delivery of those services.

Mr. President, I think I have illustrated my points. First, parents know what is best for their own children, and they know best what their own child-care needs are. Our program should enhance those parental choices.

Second, the States are competent to regulate child care. We should not impose cumbersome regulations on the States as they work to address the need for improved child care for their children.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. KERREY. Mr. President, I have listened to my distinguished colleague, the Senator from Mississippi, on the points raised by him and earlier, by the Senator from New Mexico. I acknowledge most of the observations that both individuals make.

We should be concerned about imposing a mandate upon States.

Having lived and served as a Governor in the past, living with Federal mandates in the past, I am very much concerned about imposing upon States additional costs for which we provide no resources.

In the 100th Congress, this Congress passed a bill called welfare reform. It imposed costs upon the States. Congress also passed a bill to regulate nursing homes. It imposed costs upon the States.

And in my discussions with Governors in referencing the original ABC bill, there was a considerable amount of concern. The Governor of New Jersey, the Governor of Arkansas, the Governor of Iowa, and the Governor of Virginia were very much concerned about the original ABC bill that it was doing exactly what the nursing home regulation bill did, what the welfare reform bill did, and that is to essentially impose additional costs upon those States.

I would simply say that the individuals who are now standing and expressing that kind of concern about the ABC bill expressed similar concern about the welfare reform bill and nusing home bill, and if they did not get those concerns resolved last year they voted against that legislation because they imposed costs upon the States, considerable amount of costs. Because of our concerns for people in the nursing homes and because of our concern for people on welfare, trying to help them get off the welfare rolls, we imposed costs upon each and every one of the States.

I talked with the Senator from Connecticut and the Senator from Utah about the concerns that the States had because they asked me as someone who had indicated I was going to support ABC to try to see if I could get the NGA support, and they were concerned about this imposed standard, and the Senators from Connecticut and Utah made that change.

I find this concern for the States to be a legitimate and reasonable concern, but I am fearful that in this particular argument it is being thrown up almost as a red herring and not consistently applied to other legislation and not consistently applied in looking at what the distinguished Senator from Connecticut has done to make this bill work.

I am comfortable that it will work, that it gives governors a considerable amount of flexibility that they need to raise the child-care issue up. It does not cut across the State's authority to establish regulations at all, particularly in those States where regulations exist and even in those States where regulations do not exist. The State of New Jersey has 43,000 unlicensed child-care facilities. I will guarantee you the Governor of New Jersey would not be in support of this legislation if he felt it was going to impose an unbearable cost upon his people.

He, in fact, I am sure has done quite the same as I and a number of other people have done, seeing the urgency to be so great that they overcome many minor reservations that they had.

In addition, Mr. President, another thing that I would point out to I know many of my colleagues who are still uncertain as to how to vote, and that is it seems to me that what we are trying to do with this legislation is essentially reinforce what the people themselves are doing.

At home, I have a couple of rather unusual groups that are criticizing me, saying I am trying to take away the choice of parents, that I am trying to bring Government into families and break up families. Nothing could be further from the truth. In fact, it is just the opposite.

This is what families are doing. They are choosing child care already, long before we ever considered this legislation. They are out there today in the United States of America loving, caring parents. I agree with the Senator from Mississippi. The parents'

love is primary. That is the best care that we could provide—loving, caring parents, who are choosing to work, both parents choosing work, are looking for care for their child while they are working. That is the reason that we are acting on this particular legislation.

We are not trying to impose something here.

Over the past 10 years there has been an enormous acceleration of the movement of women into the workplace, from 30 to 50 percent, not because the Senator from Connecticut or the Senator from Utah imposed something with this legislation. They are doing it on their own. They are making choices for a variety of reasons, some of them altogether good, some them uncomfortably bad, some of them that make us uncomfortable in fact.

There are an awful lot of us who supported an increase in the minimum wage precisely because we are concerned that individuals are having to make a choice to work because the minimum wage does not provide a sufficient reimbursement to enable them to care for their children and without both mother and father out in the workplace. The people are already doing this. This is government trying to catch up with the people, not government trying to get ahead.

The people of the United States of America are already choosing to put their children in care.

I would finally point out something that I think the Senator from Connecticut did awfully well but cannot be stated enough. There is concern and I have heard the concern expressed again by the Senator from Mississippi that we ought not to provide legislation that would unnecessarily regulate the behavior of Americans. I agree with that. We ought to apply I think the same standards that we put when we are concerned about people getting haircuts, going into business, getting their dogs taken care of, going to select nursing home care for their parents. The same level of concern and the same response in those instances ought to be applied for child care. Parents are very much concerned about the quality of care and they do, in fact, have a difficult time measuring whether or not that care is good, and most of the States have already responded.

The Senator from Mississippi says Mississippi having acted in 1972 is likely to be ahead of most of the States, and Nebraska had no difficulty with the earlier standards that were in the earlier ABC bill.

I was in full support of it at this point because of that. Most of the States have already applied regulatory standards so as to be able to address concerns, again not concerns that are directed top down from Washington, trying to figure out what the quality ought to be inside of the nursing home, but from the people themselves who are making that choice who are already out there.

We are not splitting up families. In my judgment, we are helping families stay together. Families are already looking for care in this particular way.

This bill is urgently needed. It will not solve all the problems. It does not provide all the money. It is insufficiently funded much the same way many other things that we do around here are insufficiently funded.

I have told many of the advocates of child care in my State that they would be better off incorporating as a savings and loan today and going out and taking some $100,000 brokered CD's and then go out and get the Government to pick up the tab for them. It is much easier to get funded that way today than it is coming in and saying all we are trying to do is come in and take care of our children.

I believe this particular piece of legislation needs to be passed and passed quickly. And then we need to work with the States to make sure we take the next steps and work with out Governors that we charge with responsibility of assigning the legislation to the Department of Social Services, the Department of Education—setting up a new board so as to elevate this issue even further; work with the Governors, establish those links that will enable us to respond with what the people themselves are doing now.

It is not us imposing. It is us trying to catch up. And we have a long way to go, it seems to me, Mr. President, if we are going to catch up with what the people of the United States of America are trying to do with their children. I yield the floor.

The PRESIDING OFFICER. The majority leader.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, after extensive consultation with the distinguished Republican leader and the several interested participants in the underlying legislation and the various amendments that have been considered, I am prepared to propound a unanimous-consent request regarding the disposition of the pending amendments and of the nomination of Chic Hecht, to be Ambassador to the Bahamas.

Accordingly, Mr. President, the distinguished Republican leader now being present, and the manager of the bill, I ask unanimous consent that when the Senate recesses today, it stand in recess until 10 a.m. on Thursday, June 22; and that following the time for the two leaders, there be a period for the transaction of morning business not to extend beyond 10:30 a.m. with Senators permitted to speak therein up to 5 minutes each; and that at 10:30, the Senate resume the consideration of S. 5, the child-care bill and the Dole amendment to the Mitchell substitute amendment for 1½ hours of debate, with 1 hour under the control of Senator DOLE and 30 minutes under the control of Senator DODD, or their designees; and that a vote occur on the Dole, and others, perfecting amendment to the Mitchell substitute amendment No. 196, as amended, at 12 noon on Thursday, June 22. I further ask unanimous consent that no intervening amendment, modification, motions, or divisions of the amendment be in order prior to the vote on the Dole amendment.

I further ask unanimous consent that if the Dole amendment is defeated, that the Mitchell amendment be voted on immediately thereafter with no intervening amendments, modifications, or motions in order prior to that vote; and that if the Mitchell substitute is adopted, it be considered as original text for the purpose of further amendments.

I further ask unanimous consent that if the Dole amendment is agreed to, it be in order for the majority leader to offer the text of his amendment No. 196, as amended prior to the adoption of the Dole amendment, as a substitute amendment for the Mitchell substitute as amended by the Dole perfecting amendment; that it be considered and voted on at 2 p.m. Thursday without any intervening amendment, modification, or motion with the time prior to the vote being equally divided; and that, if this substitute is adopted, the Mitchell amendment No. 196, as amended be voted on immediately, without any intervening action, and that if it is then agreed to it be considered original text for the purpose of further amendment.

I further ask unanimous consent that any remaining debate for today, between now and 7 p.m. be divided with Senator DOLE controlling two-thirds of the time and Senator DODD controlling one-third of the available time.

I further ask unanimous consent that no points of order lie against any of the amendments covered by this consent agreement.

I further ask unanimous consent, as if in executive session, that the Senate proceed in executive session on Tuesday, July 11, at 9 a.m., to consider the nomination of Chic Hecht to be the United States Ambassador to the Commonwealth of the Bahamas, and that a vote on the confirmation of the nomination occur on Tuesday not later than 7 p.m.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. Mr. President, reserving the right to object, and I shall not

object, I have no problem with the agreement. It is one we have been working on. I must say, as a matter of fact, that I would hope we could dispose of the Hecht nomination prior to our recess. If that is not possible—I have discussed it a number of times with the majority leader, with Senator REID from Nevada—I have just spoken again with Senator Hecht by telephone. He understands we are now entering into this agreement and he has no objection. If he had one, it is probably not material but from my standpoint I know he is going to be just in limbo for 2 more weeks for no real good reason, but I have no objection to the agreement.

Mr. MITCHELL. Mr. President, I will review my request and then I will comment.

The PRESIDING OFFICER. Is there objection? If not, it is so ordered.

The text of the agreement is as follows:

Ordered, That at 10:30 a.m. on Thursday, June 22, 1989, the Senate resume consideration of S. 5, a bill to provide for a Federal program for the improvement of child care, and for other purposes, and that debate on the DOLE, et al., perfecting amendment to the Mitchell substitute amendment No. 196, as amended, be limited to 1½ hours, with 1 hour to be under the control of the Senator from Kansas [Mr. DOLE], and 30 minutes to be under the control of the Senator from Connecticut [Mr. DODD], or their designees, with the vote on the Dole perfecting amendment to the Mitchell substitute amendment No. 196, as amended, to occur at 12 noon, Thursday, June 22, 1989, with no intervening amendment, modification, motion, or division of the amendment to be in order prior to the vote on the Dole amendment.

Ordered further, That if the Dole amendment is defeated, the Mitchell amendment be voted on immediately thereafter, with no intervening amendments, modifications, or motions in order prior to that vote: *Provided*, That if the Mitchell substitute is adopted, it be considered as original text for the purpose of further amendments.

Ordered further, That if the Dole amendment is agreed to, it be in order for the majority leader to offer the text of his amendment, No. 196, as amended prior to the adoption of the Dole amendment, as a substitute amendment for the Mitchell substitute as amended by the Dole perfecting amendment, and that it be considered and voted on at 2 p.m. on Thursday, June 22, 1989, without any intervening amendment, modification, or motion, and with the time prior to the vote to be equally divided: *Provided*, That if this substitute is adopted, the Mitchell amendment, No. 196, as amended, be voted on immediately, without any intervening action, and that if it is then agreed to, it be considered original text for the purpose of further amendment.

Ordered further, That no points of order lie against any of the amendments covered by this consent agreement. (June 21, 1989)

Mr. MITCHELL. Mr. President, I thank the distinguished Republican leader. As he indicated, we have been discussing these matters, now, for some time, culminating in this agreement. One of the matters which we have discussed at some length has been the pending nomination of former Senator Hecht.

Senators BRYAN and REID, the two Senators from Nevada, have been actively engaged in urging prompt consideration and approval of Senator Hecht's nomination. They have discussed the matter with me several times. Senator REID spoke by telephone with former Senator Hecht and I believe that Senator REID also spoke with Senator DOLE and myself. In an effort to accommodate their concern for prompt approval of the Hecht nomination, we have reached this agreement.

I have been able to obtain approval to begin consideration of the Hecht nomination this week, after completion of action on the child-care vote, but could not obtain approval for final disposition of it until the Tuesday following the recess. Under those circumstances, it was determined by agreement between the distinguished Republican leader and myself that it was best to simply put the entire matter over until then and vote on it on that day. So I am pleased that we have reached an understanding and that nomination of former Senator Hecht will be disposed of on Tuesday, July 11. And we hope it will be not later than 7 p.m. on that day.

I want to thank Senator DOLE for his consideration of this matter as well as Senators REID and BRYAN, who have been actively pursuing getting this matter disposed of favorably as soon as possible.

Mr. DOLE. I want to confirm, at least as far as Senator REID is concerned, we have had a number of conversations. We have been very diligent. He has been doing the best he could, and I thank him for his cooperation, and I am certain Senator BRYAN has, too. I just talked to him. I know they both support the nomination and both speak in behalf of the nomination. The nomination will be confirmed. I assume it will not take 10 hours on that Tuesday but it says no later than 7, and I would assume if we complete action earlier, we could probably go on to some other business.

So, I thank the majority leader.

Mr. MITCHELL. I thank the distinguished Republican leader.

Will the distinguished Senator from New Jersey withhold for one moment so we can proceed to two other nominations, to their confirmation, which have also been unfortunately delayed for a lenghty period of time?

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate go into executive session to consider Calendar item 112, nomination of Joseph V. Reed, to be Chief of Protocol, and Calendar item 140, the nomination of Peter Secchia, to be Ambassador to Italy.

There being no objection, the Senate proceeded to the consideration of Executive business.

The PRESIDING OFFICER. The nominations will be stated.

AMBASSADOR

The assistant legislative clerk read the nomination of Joseph Verner Reed, of Connecticut, for the rank of Ambassador during his tenure of service as Chief of Protocol for the White House.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

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

The motion to lay on the table was agreed to.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

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

DEPARTMENT OF STATE

The legislative clerk read the nomination of Peter F. Secchia, of Michigan, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Italy.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

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

The motion to lay on the table was agreed to.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

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

LEGISLATIVE SESSION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate return to legislative session.

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

CHILD CARE IMPROVEMENT ACT

The Senate continued with the consideration of the bill.

Mr. BRADLEY addressed the Chair.

The PRESIDING OFFICER. Who yields?

Mr. BRADLEY. Will the distinguished Senator from Connecticut yield time?

Mr. DODD. How much time does the Senator need?

Mr. BRADLEY. No more than 10 minutes.

Mr. DODD. I will be glad to yield 10 minutes.

Mr. MITCHELL. Mr. President, will the distinguished Senator yield briefly for an announcement?

Mr. BRADLEY. I will be pleased to yield to the majority leader at any time if he requests such a courtesy.

(Mr. KOHL assumed the chair.)

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, in view of the agreement which has just been entered into regarding votes on the pending amendments, there will be no rollcall votes this evening. The Senate will continue in session until 7 o'clock for debate on the pending matter. We will return to this bill at 10:30 in the morning and voting will commence at noon. So Senators should be aware that beginning at noon tomorrow and continuing possibly very late tomorrow and Friday, there will be rollcall votes.

I repeat what I have said publicly many times so that Senators will be well aware and on notice of my intentions. It is my intention to remain in session until we complete action on the child-care bill. I hope we are able to do so by Friday close of business, which is the scheduled time for the commencement of the Fourth of July recess. However, if we are not finished by that time, we will stay here until we finish—Friday night, Saturday, Sunday, Monday, Tuesday. For however long it takes, the Senate is going to remain in session until we complete action on this child-care legislation.

I urge Senators to be present, to be prepared to offer their amendments, to be prepared to cast rollcall votes and I hope cooperate in enabling us to both complete action on this important legislation and leave for the Fourth of July recess as scheduled. I thank the Chair, and I especially thank my distinguished colleague.

Mr. BRADLEY. Mr. President, I rise today in support of the leadership amendment and in opposition to the amendment offered by my colleague from Kansas.

I have long been a supporter of expanding the earned income tax credit so that low-income working families are not living below the poverty line. I continue to favor expansion of this tax credit and will continue to work for it in the future.

The amendment proposed by my colleague from Kansas is forcing me to choose between two initiatives that I care about deeply. On balance, I conclude that the earned income tax credit is not child-care legislation. The leadership package, which includes the Act for Better Child Care and a refundable dependent care credit, is the more comprehensive, workable, and effective approach to improving the quality, supply, and accessibility of child-care.

The coalition that developed the Act for Better Child Care worked hard to develop a bill that will not only help parents to pay for care but will also provide parents with real choices and improve the quality of child-care.

The sponsors of the Act for Better Child Care negotiated tirelessly with State and local organizations, prominently represented by the National Governors' Association, to develop an approach to standard and to the quality of care that represent an innovative way to blend the knowledge and resources available at the national level with the experience, pragmatism, and response to local conditions that is possible only at the State level.

This agreement, in my view, is not a compromise. It is an optimal result; a result that is better than the starting positions of any of the parties to the negotiation because it will encourage both Federal and State governments to contribute their best efforts to the development of quality child-care.

The work of the coalition, the sponsors and the majority leader have resulted in other agreements that also improve the original child-care bill. One example is the addition, through a bipartisan consensus and the leadership of the distinguished chairman of the Finance Committee, of a refundable dependent care tax credit. This credit will ensure that low-income working families can benefit from the existing credit, thereby receiving reimbursement for a significant portion of their child-care expenditure.

The long, hard work of many who care about children, families, and particularly low-income working families, has resulted in a compromise bill that, in my opinion, is better than the sum of its parts. The substitute amendment proposed by the distinguished Senator from Kansas has, in my view, a number of shortcomings.

First, the substitute amendment does not provide direct assistance to poor families. It ignores a major principle of child-care policy that is well-recognized by the States. Tax credits can provide help to poor families in meeting child-care costs, but tax credits do not provide enough assistance to pay the full cost of care. Over half the States already have dependent care tax credits or deductions. However, no State makes tax credits the centerpiece of its child-care program. States realize that if a poor family receives a $500 tax credit, even on an advance funded basis, it will not be enough money to purchase quality child care, which costs an average of $3,000 per year in low-income urban areas like Newark, NJ. $500 is not enough. A poor family does not have a real choice if it cannot afford to choose quality child care.

The substitute amendment also does nothing to improve the quality of child care. Neither the earned income tax credit nor block grants require development of health and safety standards or provide recommendations to guide States that would like to improve the quality of their child-care services. Health and safety standards and guidelines for the improvement of child care are not addressed by the substitute amendment of the Senator from Kansas.

S. 5, by comparison, targets funds to help States to improve the quality of child care and assurances that they have standards in critical areas, such as child immunizations. It also helps States to improve enforcement of their child-care standards by reserving funds for this purpose, and it assures that parents will have unlimited access to their children's programs, a right not guaranteed in about 30 States in this country.

Mr. President, I recognize that the distinguished Senator from Connecticut has fought long and hard for children's issues and particularly for this bill. I also commend the majority leader, distinguished chairman of the Finance Committee, distinguished Senators from Massachusetts and Utah, their staffs, and many others who have labored long and hard to create a well-balanced, pragmatic approach to improving and expanding available child care and making it more accessible to low-income families. My enthusiasm for the outcome of their efforts leads to a firm conviction that low-income working families with children will benefit more if we enact the leadership amendment and return to the earned income tax credit on another day in the near future.

I yield the floor.

Mr. BENTSEN addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. BENTSEN. Will the distinguished manager of the bill yield 15 minutes to the Senator from Texas?

Mr. DODD. I will be happy to yield whatever time the distinguished chairman of the Finance Committee needs.

The PRESIDING OFFICER. The Senator is recognized.

Mr. BENTSEN. Mr. President, I would like to respond for a moment to some fairly harsh criticism that was leveled against me by my good friend from Kansas, the Republican leader, and that concerns the procedures of the Committee on Finance and the health credit that is part of this bill now.

Twice it has been suggested on the floor of this body that the action by

the Finance Committee and its procedures were improper; that the hearing on the health insurance proposal was inadequate and that the bill was rammed through the commitee without due consideration. Mr. President, I am not above trying to ram a bill through the committee, but I did not have to. The facts supported it, the justification was there, and the Members voted for it. Let us talk about the hearing that was referred to earlier today.

That hearing included testimony by the following organizations representing some of the most knowledgeable experts in America when it comes to health care: The Health Insurance Association of America, they testified. Blue Cross and Blue Shield; the American Academy of Pediatrics; the National Association of Children's Hospitals; the Washington Business Group on Health; the Children's Defense Fund; the National Women's Law Center; Dr. Steve Freedman of the University of Florida Institute for Child Health Policy, a very knowledgeable person on this subject; Mr. Robert Greenstein, the director of the Center on Budget and Policy Priorities; and the National Federation of Independent Business sent a letter for the record. So the record is full, and the other side may regret that the only voice at that hearing that did not support the health credit was the administration's, but that was the way it was.

Now, about the committee markup. When the markup began, I made it clear to the members of the committee, and nearly all of them were there—Democrats and Republicans—that I wanted to report out the child care and the child health credits and section 89 as one bill, and that I would give Members a chance to vote on the different portions of the bill—one who wanted a vote would get it—and that section 89 would be a part of a combined package. I asked the Members, if anyone objected. I turned to the Republicans and I turned to the Democrats. No one objected. And then I turned to the representative of the adminstration and asked whether the administration objected. They did not.

The vote was not even close—17 to 3, a bipartisan vote—to report the package. The Republican leader was there for the vote. He made no objection at that time to any procedures. Neither did any member of the committee. It is not as if they did not have time. I am a fellow from the South, and I speak slowly. I waited to give everyone a chance to react. We were there for over 2 hours, and I took roll call votes on every issue any Senator raised.

The statement has been made that the health credit will not stimulate the purchase of new health insurance coverage, that all it will do is offset payments that are already being made for such coverage. Presumably that statement was made on the basis of the revenue estimate prepared by the Joint Tax Committee. As I pointed out in my remarks yesterday, that analysis of the impact of the child-care credit draws exactly the same conclusion—no new child care will be made available through the tax credit. So then why enact either credit?

Mr. President, the issue here is one of helping families meet the high costs of providing high priority care for their children, both child care and health care, whether they currently purchase that care or not.

I find it interesting, Mr. President, that no one who opposes this package has tried to make the case that improving support for health coverage is unimportant. In fact, the opposite is true. Before the Finance Committee completed action on its portion of this package, the Republican leader suggested I join him in a compromise that included an unearmarked tax credit—a credit for the purchase of health insurance. When I declined, on the basis that a majority of the members on the Finance Committee did not support an unearmarked credit, the Republican leader began to focus his criticism on the health portion of the bill approved by the committee.

I understand that. If the other side is successful in knocking out the child health component of this package, there will be a billion and a half dollars available to offset the costs of an unearmarked credit along the lines of what the administration proposed originally.

When I think about what they are proposing, money for everyone, no strings attached, George McGovern ought to be up there in that gallery; 17 years ago, Senator McGovern proposed $1,000 for everybody, no strings attached, and was ridiculed for his proposal.

Mr. President, in my view, the deletion of the child health care credit would be a tragedy. Right now there are 13 million children, one in five in this Nation, without any public or private health insurance coverage. Nearly two-thirds of them are in families with incomes below 185 percent of poverty, the very families that would be helped by this credit. The costs of health insurance premiums continue to go up, and coverage is dropping. Last year premiums increased by an average of 17 percent. Only 32 percent of employees in medium- and large-sized firms had wholly paid dependent health coverage in 1988, nearly a 20-percent drop since 1980. We must find a way to staunch that erosion. We must try to increase health insurance coverage. But what are parents doing today, with premiums going up? They just pray the kids do not get sick. They hope they can get by without having to go to the hospital. When one of the children gets sick, they say, "Well, maybe he will get over it. Maybe this fever will go away." But finally they take the child in for treatment and then they don't have the money to pay the bill.

Let me respond to the criticism the credit is not sufficiently generous to be of value to a low income worker. The Health Insurance Association of America made a national survey last year of 1,665 randomly selected employers who offer health insurance benefits to their employees. That survey showed the average employee share of premium costs for family coverage, inflated to 1989 dollars, is about $800. The tax credit in this bill would give a family with income of $12,000 or less a credit of $400 toward that cost. If you buy $1,000 in premium, you could get up to 50 percent credit or $500. Thus the cost to the employee for family coverage would be reduced in half, to about $33 a month.

Do you not think cutting that cost in half helps a low-income family? We are talking about working families. The problem in this country today is that a person who works and has low income is finding he has less access to health care than a person on welfare. That is what we are trying to address with this credit. We are trying to make private insurance more affordable to working families.

I should add that at the committee's hearing the Health Insurance Association of America stated that this credit should make a dramatic difference in the proportion of low income employees choosing to extend health care coverage to their children.

Blue Cross/Blue Shield told us that they believe the private health insurance market will respond to the incentives provided by this credit by making available low cost products, and that they would work at creating new policies aimed at that specific market, to reach out to these children and their families. They told us about a program in California that reduces significantly the cost of health insurance for children by establishing special rates. The rates are based on two age categories. Coverage for a preschool child is $320 a year, and coverage for an older child is $252.

Another example, a program that is being set up in Florida. This will be a school based insurance program for children in families whose incomes are low, but above the Medicaid eligibility level. The insurance will be portable, with the only requirement being that the child remain within the school district covered by the program.

Now let us talk about the administration's proposal. Although both the administration's credit and health insurance credit go to low-income families with children, whether the parents work or not, the health insurance

credit is targeted at a priority need, the need for health protection for children. It will encourage and help working families to invest in health protection for their children. More than three-fourths of the money will go to families with incomes below $15,000 a year. The administration's credit is not targeted on child care, child health or any other specific purpose.

It comes down to a question of priorities: Should you try to target funds carefully at a specific urgent need, or have an income transfer that can be used for any purpose whatsoever? I think the American people would say that health protection for children is an important priority.

The Republican amendment would add $1.3 billion to the cost of the earned income tax credit in 1992. That is a credit that has tripled in the period 1986-90 from $2 to $5.9 billion, made in the 1986 Tax Reform Act.

Let us talk about another important aspect of this debate. I hear complaints that we are not doing anything on dependent care for people earning $40,000, $50,000, $70,000. Not true. Under current law, there is a provision to provide tax relief for dependent care. If someone is making $10,000 a year, they get a 30 percent dependent care credit against a $2,400 cap for one child or $4,800 for two or more children. The credit phases down at $28,000 to 20 percent. Then you can have a 20 percent credit against that $2,400 for one child or $4,800 for two or more children. Twenty percent of that, 20 percent on the $2,400 would be $480. Well, if you make $100,000, you still get the credit. If you make a half million, you still get it. If you make $5 million, you still get it. If you make $50 million, you still get it. Costs to the Treasury last year? $3.3 billion. You bet we have support for middle- and upper-income families.

What we are proposing here is for the Joe that makes $10,000, $15,000, $20,000 who is having a tough time paying the premium to cover the cost of health insurance for his kids. That is why this health credit is important to this piece of legislation. We have already taken care of those with substantial incomes. Through Medicaid, we have expanded coverage for the very poor. Who gets caught in between? The guy who wants to work and does not want to be on welfare, but loves his kids just as much as the guy who makes a million a year, or the fellow whose family is on welfare. That is why this legislation is important.

I yield back the remainder of my time.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, first of all, let me commend two of our colleagues, the Senator from New Jersey and, once again, the Senator from Texas, who has once again eloquently taken on the charges that have been raised by the authors of the alternative.

I can empathize with his frustration. We get the same arguments day in and day out, despite what we say. Once again, we have heard those arguments today regarding the substitute, what is included in it, what its effect is, particularly on the health credit. The Senator from Texas pointed out it is available to both working mothers and mothers at home. It is equal to that amount included in the earned income tax credit. It is targeted to the health of children, 13 million, I think, the Senator from Texas accurately pointed out.

The children in this country have no coverage whatsoever, of the 37 or 40 million Americans who are lacking health care coverage. Clearly, we know there is a relationship between that care of children. So I commend him, once again, and appreciate his willingness to engage in the debate and raise the facts as they are, the substitute, so that our colleagues can be fully aware of them.

Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Connecticut has 13 minutes left.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from New Mexico.

Mr. DOMENICI. Mr. President, I understand that there may be others who want to speak and, clearly, I would like them to know that while we have a lot of time, two-thirds of the remaining time on this side, I certainly will be prepared to yield, if they want to be heard. I have been heard once today, and I do not need a lot of time. I would like to make a few points at this time.

Mr. President, first, let me say that it has been said that we are really down here debating a side issue. Some say it is about who gets credit for this bill. I hope that everyone understands that we can get ourselves all tied up in which provision of which bill came from whence, but, frankly, there is a very big philosophical difference in the amended ABC that is before us, which we are now calling the Mitchell proposal, and the Dole-Packwood-Domenici-and-others substitute for it, a very big difference.

I hope everyone knows that that difference essentially has to do with whether money is refunded on a regular basis, or paid on a regular basis to parents, and then they decide how to spend the money or whether we give money to States and have them set up a system, whereby State employees determine who is entitled, and to how much, and parents never even see the money. If you read it carefully, even with the so-called church certificate provision, the money goes to the provider from the State. Parents are hardly even involved. That is just the framework and the distinction between the two bills.

I would like to take about four or five points that were made today by some of the proponents that I think are not quite accurate, or that I have a different assessment of. Let me start by making the first one: In response to our notion that State employees are going to ration child care among a very large pool of youngsters; that we can only take care of a small number, our position is that employees of the States in the Union are going to have to make bureaucratic decisions, based upon financial disclosures and are going to end up assigning the resources of the U.S. Government to various providers on behalf of kids, and on behalf of parents.

So when we said that this is a bureaucratic bill as compared with a parent's choice bill, it has been said, and I paraphrase, ABC is not a bureaucratic bill. States run things. ABC just does what is needed. After all, 70 percent of ABC's funds go directly to parents. Now, that is not a direct quote, but it is very near what is contended. Let me suggest, no funds go to parents. Assistance goes directly from the Government to providers. Even for parents who might be lucky enough to get a voucher, nowhere in the ABC bill is any parent guaranteed that their child will be cared for where the parent wants. States make the final decisions.

Now, obviously, we know States do not make decisions. So a whole new group of State employees called "lead agency employees" are going to make these decisions for us. When it comes to helping families afford care, why do we have to have a new group of State employees at all, State or Federal, making choices for parents?

Point No. 2: It is contended that tax credits are not child care. Tax credits go to parents. ABC invests in children directly. Well, let me talk about that paraphrased contention. What is really being said is that parents do not want to help their children, and if you give them money to help their children, put it directly in their pockets, they cannot be entrusted with the assistance. Only Government can be trusted to buy—and I use this word in quotes—"appropriate" care for their kids. What we say is that parents should be the center of child care decisionmaking and the center of child-care policy.

Third point: Paraphrasing again, says the principal proponent on the floor, ABC does not "lure"—and I use that word in quotation marks, because

it was used—parents into the work force and day care. ABC is about helping families who have no choice, single moms and two-worker families who must work to make ends meet. That is the end of my summary of the contention.

Let me suggest that ABC helps families with incomes up to State median income. On average, that is about $34,000. In some States it goes up to about $47,000. The bill we propose concentrates the same funds through one tax credit that is different than this bill, on the truly low-income parents, up to $15,000.

ABC is only for working families, who put their kids in child care, presuming that parents who stay at home are "rich enough to do so." I submit, Mr. President, that ignores a great need, aside from the part from it being extremely discriminatory, by creating an incentive against staying at home and taking care of your children.

Stay-at-home parents are disadvantaged. The median income of two-parent, two-earner families, is about 50 percent higher than that of a one-earner family. Stay-at-home parents can expect to lose on average about $13,000 in income, because they have made the choice to take care of their own children—far more expensive to that family than day care.

It is contended, if not stated directly, that stay-at-home parents must be rich. Mr. President, stay-at-home parents are not rich. In fact, there are more, and I repeat, there are more two-parent, one-earner families with incomes under $15,000 than there are families headed by employed single mothers.

I believe those $15,000 a year one-earner families, are the people confronting Senators when we go home. When Senators go home and visit and talk, they are walking up and confronting us and saying to us, "Do not prejudice us, because we made a decision to stay home. We may stay home only for 1, 2, or 3 years because we are losing a lot of income."

But I submit if this U.S. Senate assumes that they are rich and making the choice to stay home because they do not need any help, we are making a big mistake. There are more of those families than the working-poor, single heads of families in this country, who are a formidable group of people with very difficult problems.

One of the worst social problems we have is the deterioration in income for the single heads of household parents in this country.

As a matter of fact, just as an aside, during this economic recovery time much is being said about who is helped and who is hurt, and I am not going to get into a big argument about how much or how little income has progressed during this recovery other than to say if you take the recession in mind, almost everybody has been helped by the economic recovery any way you look at it, except for single heads of households.

The welfare bill of last year will help just a few. We have not found an American policy to affect that very significant and serious social economic group.

At-home parents do not stay at home because they are rich. They choose to do so often at considerable price, and I submit we should not consciously or unconsciously penalize them for that choice.

ABC can only be used by parents—both parents if there are two—who are working or trying to get work. There is clearly and unequivocally a bias against those who choose to stay at home. I submit there is a bias toward institutional care, and those who propose the ABC bill will cite language saying it is not just for institutions, but I have just cited the definitions that make that pretty much a reality. And then when you add to it the bureaucratic choicemaking in the course of rationing these allotments or slots, mark my word if this were ever law, the institutional bias will show in those who have to make the allotment decisions in behalf of the children of this country.

So I think we are going to take billions away from stay-at-home parents to pay for the day care of other parents, who have incomes up to $47,000. Is this not a tremendous penalty to the stay-at-home parents?

Frankly, as I look at the tremendous income levels allowed the so-called median income is the top, and I have just given you some States of $47,000; on average in the Nation, it is $34,000. A literal reading of the bill will give you the conclusion I just arrived at, that the ABC bill imposes a tremendous penalty to the parents in the $15,000, $16,000, $17,000 bracket who are making the choice to stay at home. I also believe that ABC's claims of serving median income and poor parents is somewhat of a hoax because essentially that pool of youngsters is so big that 70 percent of $1.7 billion is going to create a dramatic case for rationing the allotments. I cannot give you the numbers. I cannot tell the Senate the percent, but I would be surprised if in that entire pool you could take care of 10 percent; somebody is going to decide which.

I submit the pressure is going to be political, and enormous. The pressure is going to be for institutional care, not neighborhood care. It is going to be against grandparents and aunts and uncles; even if it said here you can get that kind of assistance, the little caveat is: So long as they are approved.

Mr. President, put yourself in the State that is having to make these plans and implement them and see if this bias that I allege will occur is not inevitable. I believe it is.

Next point: It is said by those who are proponents on the floor of the ABC bill, sure ABC gives States the flexibility to help middle-income parents. Why not help those taxpayers? I have talked about that a bit. I think when you look at the numbers and the total demographics, the expectation is going to be high and the delivery is going to be low if you go to that high of income level.

I would have preferred that we go higher in income, that we have only one kind of credit, that we could have gone up to $28,000, or $30,000, but clearly there are those who want the refundable Dependent Care Tax Credit [DCTC] too, and it is a good idea. The DCTC does not go to stay-at-home parents, but making it refundable would indeed help many in the lower brackets who must have care, so I have joined in what I think is a very fair compromise to take care of them and also provide for the low-income parents who are not necesarily paying for care but will get money in their pockets to make their own decisions.

So I believe, and I feel very comfortable saying, that with limited resources we ought to be focusing on parents most in need whose children obviously are most in need because their parents are. Why should we allow, as the ABC proponents say, States the flexibility to help people with incomes up to $47,000 unless we really intend to do that. Unless we really intend to do that, it seems to me that we ought to tell the truth and say there will be very few of them helped unless we want to do that at the expense of the low-income people of this Nation. That is just the way the money splits out.

If you are going to help substantial portions of the high-middle income, median-income parents, you might as well stand up and be honest and say you are not going to help the poor very much. You cannot have it both ways. There is not enough money to go around unless you want to give resources for a huge number of slot allocations.

You cannot give exactly the same to the poorest that you would give to those with $30,000 or $40,000 incomes, and yet it is being said we give the States the flexibility.

We prefer to say we do not because we are not having the States manage the money. We are sending it to the parents in regular, refundable credits in their paycheck—either through earned income tax refunds or refundable dependent-care tax credits—building on the current dependent child care law which is in existence. It will be regular; it will not be at the end of the year as some have indicated. The experience of the earned income tax

credit, which is expanded in our proposal is a regular delivery and as we expect it will be in the checks, be they weekly, bimonthly or monthly.

If we have money left over, if we have more money then extend the assistance to others. This is not an argument against using tax credits to help families afford the care.

The next point, it is said by the proponents that the ABC grant gives 70 percent to parents and that our substitute program gives nothing to parents.

I hope everybody understands that we do not have a grant program in the proposal we made that is supposed to subsidize care. We have a $400 million grant program that is supposed to help States in their ability to improve child care options for citizens. It is not even intended to go to parents. We did not even draft it that way.

If you match our $400 million grant with the ABC bill, it is not a substitute for the $1.7 billion in the ABC bill. We use most of "ABC's" $1.7 billion for tax credits. In addition to our tax credits we have the $400 million block grant. We get to about the $3 billion mark while the Mitchell package is $4.7 billion total; $3 billion of the Mitchell package is in tax credit, one of which was discussed by the distinguished Finance Committee chairman and that we would get rid of. The other is the dependent care refundability provision which is in both bills.

So it is apples and oranges to compare our grant program with anything in the ABC bill that helps families afford care. There is nothing to compare. They are not even intended to do the same thing. So to try to compare them is to distort the bill, comparing one block grant with the entire thrust of the ABC provisions.

Our tax credit is the replacement for the portion of the ABC Grant Program helping parents to afford care. That is what you should compare and that is the interesting one because all of ours goes to parents and none of the ABC part goes to parents, as I have just discussed. The State decides to distribute it to the institution, or center, or whatever qualifies.

Next point that is made is that the Dole-Packwood-Domenici proposal is haphazardly put together at the last minute and this is the first time the block grant has ever been offered. Well, this proposal is drawn from a series of bills that have been around for well over a year, including one that I offered, and ones the President, Senator DOLE, Senator PACKWOOD, and yes, even Senator HATCH offered. It is from these, and other bills, that the $400 million block grant is drafted. That grant goes to States to help them by giving them a very flexible series of options, such as beefing up training, and providing a pool for liability insurance. They can even have a State tax credit if they would like and reimburse their State treasury. That is up to them.

None of this alternative package is new. In fact, it was one of the main issues in the Presidential campaign. The block grant is not new. It has been in a bill that the Senator from New Mexico has had in for months, and it has been in other bills, if not for years, at least for significant numbers of months.

The next point that has been made is that the ABC standards are State standards. The Federal ones are only models, and they are needed to get States thinking about where they should head.

Recall the history. ABC was put together as a $5 billion package building its thrust around national standards. Now they say it establishes no Federal standards.

The State chose the standards, but the Federal Government tells you that you have to have them in six categories. I believe that is effectively, no matter what Senators say, a minimum Federal standard.

I note that my friend from California is on the floor. I indicated, perhaps when he was not here, that I can stop at almost any point and yield if he desires time.

I will just finish the point on minimal standards and, if he is prepared, we have ample time, I would yield the floor to him.

Mr. WILSON. Mr. President, I thank my distinguished friend from New Mexico. I would be grateful if he would simply yield for some questions.

Mr. DOMENICI. Could I just finish the notion on model standards because I think you are very familiar with the history of national standards.

Mr. WILSON. Please.

Mr. DOMENICI. I have been down there at the mayor's level. I have not been a Governor. But let me tell my colleague that when we have model standards, that implies that States should adopt them. It should be our policy to let the States evaluate the very best balance between regulation and availability. And what we are really doing is adopting national standards under the guise of model standards.

National standards do not mean quality. There is no evidence that heavily regulated care is any safer or better than any other care. We do not know that heavily regulated care will deliver better care. But we do know that it will deliver more costly care.

So, I conclude these remarks by refuting just one last point that was made by the principal proponents. Tax credits, it was said, are not useful, since you only get them at the end of the year. I have alluded to that. I hope nobody thinks that is what is in the bill we propose. Both of the tax credits that are in the bill that we introduced provide for advanced refundability. They can get it in the paycheck. It is already current law, in terms of the earned income tax credit—it is going on right now. We simply expand on it with full knowledge it can be implemented.

I would be pleased to yield for a question or yield the floor, whichever the Senator from California prefers.

Mr. WILSON. Mr. President, if the Senator would yield for a question.

First, let me thank my friend from New Mexico. I think perhaps, with his characteristic succinctness, he has made clear what I, in an earlier extended debate with my friend from Connecticut, one that I enjoyed and I think that he enjoyed—undertook in order to bring some clarity to some points that I think have become confused.

But in the interests of further clarity, let me just ask my friend. He made the point that he has been a mayor and perhaps that is an additional bond between us. So have I. So has our distinguished colleague from Utah, who has just come on the floor.

Has my colleague known very many mayors, or for that matter very many Governors, or local or State officials, who could resist the temptation if an "incentive" in terms of cash were offered? Has my colleague known very many that would not seek to meet the standard that would reward them with that cash bonus?

Mr. DOMENICI. It would if there is a cash bonus in the ABC bill, and at one point there was. I am not sure there still is.

Mr. WILSON. Well, what there is, if a State meets the so-called national recommended standards.

Mr. DOMENICI. The model standards.

Mr. WILSON. The model standards, there is incentive to do so. At least unless that has been taken out as recently as today.

Mr. DOMENICI. I think, Senator, that the very point you are making was made and, as this bill evolved and was changed, it is no longer in.

So your point was well taken and it is clear that as it moved away from national standards those who did not want national standards said: Well, this bill still has national standards because you are urging them with an incentive.

So, let me say it surely is not that, it was taken out. But I submit to you that you do not include model standards and say we expect the States to adopt six of them and that we will not have the Federal Government saying you are not doing enough. That is what standards are and that is what is going to happen.

Mr. WILSON. Well, I thank my friend. Let me just ask this question. Has my colleague noticed that in the Mitchell substitute for the ABC bill, it

is States that retain the right to fundamentally make the decision as to how child care will be provided? It is stated in the bill that, to a certain extent—and that is unclear what the extent is—vouchers will be offered. That is the direct assistance that is available to participants. But, essentially, it is the States that retain the authority, indeed the responsibility to determine what kind of care shall be provided, whether it will be school-based, center-based, family-based. And, although there is a requirement that there be an equitable distribution as between those different kinds of care, it is the State that has to exercise discretion to define what is an equitable distribution.

Mr. DOMENICI. I say to my friend from California, in a series of refutations I have just made to contentions made by ABC proponents, I addressed this point. And I am pleased to make this point again in response to your very specific question, that the proponents of the ABC bill contend that these subsidies go to parents. There could not be anything further from the truth. Not even the voucher money goes to the parents.

If you read it, the decision is made by the State as to where the child is going and the money, goes from the State to the provider. The parents are not even in that, even on the church-state issue in this bill. Nowhere.

Mr. WILSON. I thank my friend from New Mexico, and I think he makes, with abundant clarity, the point that the approach that has been favored by those on the ABC bill's side is to give to government—in this case State government, or if they choose to delegate it, I gather they can to local governments—the decision as to what kind of child care shall be provided.

In contrast, Mr. President, the approach taken under the dole substitute, where that decision is made by the parents who are free to make that choice because the Federal assistance that they receive is cash in the form of a refundable tax credit. It does not go to a local government or to the State government. It comes to them as individuals so that they may exercise their discretion in making the choice as to what kind of child care the child should have.

That is all the difference in the world. And several of the proponents of the ABC bill have seemed to express great umbrage at the suggestion that many of us have made that parental choice is, in fact, quite limited under the ABC approach, under the Mitchell substitute. And, indeed, I think more so under the Mitchell substitute than before it was amended.

As the bill came to the floor, I think there was more parental choice than there is now. Because now the focus, ironically, has come to be on State government. Well, in many instances we think that is a good thing, but here we think there is a better thing. We think that parents can be trusted to make the right choice for their own children. But, instead, the responsibility and the resources are in the hands of the State government, and I think that was part of a scheme that evidently has now been changed.

Mr. DOMENICI. Yes.

Mr. WILSON. The change is the States were going to be encouraged to seek still more money through the incentive that now has been taken away. It may, in future years, return. And I suggest that it is not paranoid or conspiratorial to suggest that the people who wanted it that way in the first place, now understanding that they need to settle for half a loaf, may just decide to be patient, but, in some future years, return with their good intentions and with the incentive restored that will make a national, recommended model standard not recommended standard at all but, in effect, virtual mandates upon the States.

And, frankly, I think even now, even with that change having occurred, it is still true that the States may now apply for incentive grants to improve their standards. I believe that remains true. But the essential point, Mr. President—and I do thank the Senator from New Mexico for making it—is that if you are of the mind that parents should make the choice, then you have a choice between the Dole and the Mitchell substitutes. But if you think that parents ought to make the choice, then you really do not have much choice, because the Dole amendment is the one that provides it through the mechanism of a refundable tax credit.

And, if you think further, that the choice ought to be made in a way that permits a mother in a poor working family to decide, at the sacrifice of her family of a second income, that she will forgo that and instead stay home so that she can rear her child in those critical first days and months and years, then it is the Dole substitute, the Dole amendment that offers the only Federal assistance to at-home moms because under existing law and under the proposal contained in the Mitchell substitute and, indeed, in the Dole substitute that insofar as it deals with a dependent care tax credit, the at-home mother cannot qualify because she has not purchased services and that is available only to someone who has. She is providing it. She cannot bill herself and turn that bill into IRS for a refund.

I thank my friend as well as for the point he made that we are not talking about a credit in the traditional sense of the word as something you obtain at the time you file your income tax. We are talking about a refundable tax credit. We are talking, in effect, about cash in a paycheck that is available at the time of need.

Mr. DOMENICI. Will the Senator yield for just one observation and then I clearly intend to yield the floor?

I know that my good friend from California has a genuine interest in State government. I think it would be an interesting exercise to get the demographics of California and find out how many millions of preschool children live in just the State of California. Then it would be interesting to just hypothesize how many millions is that State going to get out of the ABC bill under that 70 percent to provide allocated slots and pay the provider. I submit that it is going to be a very small portion of those children.

Why do I raise that point? I raise that point because somebody under this ABC bill—the somebody will be State employees—under some kind of State plan are going to have to decide which of them get what and how much. What about the poorest of the poor? If you want to take care of all of them, like we try, there will not be any left over for anyone else, and yet it is being said that whoever is running California has a bill that is sending money and that you ought to be able to provide in California for median income families. In California, the median income is probably a high one. There will not be enough money for 10 percent of them, and somebody is going to ration it.

I submit that before we get around to letting people do that and everything that goes with it, we ought to try to help all of the poor families in this country—whether one is staying home or not—with cash in the pocket, and let them make the choice, mother or father or single head of household. That is the big difference.

Can you imagine the nightmare to be the rationer, I say to my friend from California, when it is now being said if you help only the poor, you have left out the middle income and we said you could help the middle income? Nobody did the arithmetic. If you want to help them all you can probably give all of them about $20, each child; $25. Not very much.

I am pleased to yield the floor, and I thank the Senator for his contributions on this bill, and I hope we have success.

Mr. WILSON. Mr. President, before my colleague leaves the floor, let me just say that once again in his question, not quite rhetorical question, he has demonstrated how perceptive he is. The answer to his question is exactly as he supposes. Indeed, earlier today in debate with my friend from Connecticut, he raised the very point you just have. In his view, one of the distinct assets of the ABC bill is that it will be available to parents who have the median income. He is right; under

the ABC bill that would be true. The result is what he would have is a very rich program for a very few recipients, and that is not good enough.

The question that the Senator from New Mexico proposes as it applies specifically to my State I must tell you vindicates his worst fears because the answer is that in California, we need about a million of those slots. That is the number of eligible children that we would have. And yet under the ABC bill, the amount of money that is provided which the Senator from Connecticut took great pleasure in saying was $146 million does not reach very many people. It, frankly, would reach about 40,000. That is not good enough.

It is a much better thing, Mr. President, I submit, to target the assistance to those who need it, the working poor, and, in addition, to do so in a way that all eligible families can receive some assistance rather than having an unrealistically rich program for a very few that, in the words of my friend from New Mexico, would require rationing. How is it going to be done? He is right, I have an interest in State government. I am eager to accept responsibilities. That is not one I would relish. I think it much better that that decision be made by a parent whom I am perfectly willing to trust with the kind of tax credit that will put cash in his or her hand to go out into the marketplace and decide what for his or her child is the best form of child care.

But at market rates, as required under the ABC bill, this rich program will not begin to reach nearly enough recipients.

I see my friend from Arizona is on the floor and he has been waiting patiently. I do not wish to cause him to wait further. I will yield the floor to him with the observation, Mr. President, that the Senator from New Mexico is correct. He is correct on the score of parental choice; he is correct on the score of the costs of the program and the number of people it would reach, and I think those are critical elements. I thank the Chair.

The PRESIDING OFFICER (Mr. LIEBERMAN). Who yields time?

Mr. DECONCINI. I ask the Senator from Connecticut to yield me enough time to give a tremendous statement.

Mr. DODD. Mr. President, I have no doubts whatsoever. Every time the Senator from Arizona speaks it is a tremendous statement. There should be no exception to that. If the Senator will yield me 1 minute to respond, because once again my good friend from California, with his southern California chart, these bright irridescent colors representing our country here, I want to once again go back and correct two elements that seems to be part of a disinformation campaign about this bill. We are still confronted with these comments.

First, there is no penalty or awards for States to reach recommended standards. That has been taken out of the bill. The State match is the same for all States. All States are eligible for incentive grants and no State has to do anything in relation to recommended standards unless it wishes. The earlier versions of this bill, in fact, did have incentive grants that applied, or differential in the grants. That was taken out.

Today, whether you have the standards or you meet the model standards or you do not meet the model standards, you get the same. Despite the fact it is in the bill, it has been before this body for 6 days, we still have Members coming over here making the argument that there is some distinction in this bill. I really wish they would read it before they make statements. There is no differential whatsoever between States that have the model standards and States that do not. That is No. 1.

No. 2, the State does not decide where the children go. In fact, the bill explicitly and specifically says that children must be placed where the parents want to place them. Certainly my colleague would never cosponsor a bill, my colleague from Arizona would never be associated with a bill that said the State of Arizona and the State of Connecticut will tell your child where they are going to go to a child-care center. I would have nothing to do with a piece of legislation that allowed a State agency in my State, no matter how much I respect the Governor, the State agencies, no commissioner in my State will tell me where my child is going to go to a child center. To suggest here on the floor that that is included in this bill is just tripe.

Let us get the record straight. Argue about it if you will, but at least let us be honest about what is in this bill. To suggest that the Senator from Connecticut and the Senator from Utah and almost 50 cosponsors of this legislation on the floor would be associated with a piece of legislation that allowed any agency of any government in this country to mandate to a family where their children will be in a child-care center is patently false.

I am tired of hearing those statements being made on the floor. I apologize to my colleague from Arizona for interrupting. I have sat here for the last 6 days and listened. No matter how often the Senator from Utah and I take the floor to debunk these statements, it is falling on deaf ears, obviously. That is the best I can hope for here. They come back, Member after Member, to the floor making these arguments that we are mandating where children go, that we differentiate between States, and that is not the case at all. So I would urge my colleagues to read the legislation or call and ask questions ahead of time if they are incapable of taking the time to look at the bill, and we will be glad to answer the question about what is in it. Again, I thank my colleague for yielding.

Mr. DECONCINI addressed the Chair.

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

Mr. DECONCINI. Mr. President, I join my colleague from Connecticut. I have been listening to some of the debate. It borders on absurdity. I do not know where they are finding this. I am afraid maybe they are reading last year's bill because there was some possible interpretation of and certainly reference to the standards in the bill in the last Congress. This is a different bill. It happens to be called ABC. It is a different bill, and it is significantly different.

Now, yesterday, Mr. President, Senator HATCH held up a blue sheet, and this one is not blue because it is just a xerox copy of it, of gross misstatements regarding the ABC bill. I read it and I said, well, nobody is going to believe that stuff. It is so wrong and so out of sort, is it really worth coming here and talking about it. Senator HATCH spoke very powerfully against the distortions and what I consider lies that are being spread about the ABC bill. Yesterday at the Republican caucus every Republican Senator, so I am told—and I was not there—was given this workpaper that compared the Mitchell substitute to the Dole substitute. I have seen the material. I have looked at it. There is something wrong here. And it does not say who put it out. It does not say Policy Committee or any Senator's name, so I do not know who put it out. But I have seen that material. I have looked at it. There are no names on the paper, no identification. Nobody claims credit, that I know, for it. But as Senator HATCH pointed out, this was clearly prepared by people who feel that they are conservatives and are addressing a conservative-liberal issue of whether or not the Mitchell substitute to the ABC bill is the right way to go or the Dole substitute.

Now, listen, Senator DOLE is a well-respected leader and former majority leader. He has every right to submit a substitute. Those who want to argue on behalf of that substitute, have every right—that is what this is all about. But let us argue on the facts.

Senator HATCH did an outstanding job in clarifying what is true about the Mitchell substitute and what are lies and distortions which this material passes off as true.

I am not going to repeat what the Senator from Utah said so well. But I want to cite one or two examples that really need reemphasizing in my opinion.

This document, the one that Senator HATCH used yesterday, says that the Mitchell substitute "biases choice in child care toward institutional care." That statement, Mr. President, is not true. It is a distortion. It is a lie. There is nothing in this bill which says that, and I challenge anybody to point that out and argue it on the floor of the Senate.

It may have been true in the original ABC bill of the last Congress, but it is not true of the legislation we are debating today and this week. The bill we are debating today has been changed. It has been said over and over again that this bill has been modified. This bill maximizes parental choice. Parents can choose center-based care. But they can also choose home-based care. It is a decision for them. They can choose child care provided in schools, synagogues, and in churches. They can choose care provided by neighbors or grandparents or aunts and uncles if they want. So the argument that the bill favors center-based care is a bogus argument.

The argument—and again I quote—that ABC is "against care provided by informal providers such as friends and neighbors" is simply not the case. It is not true. It is not what is in the bill.

Mr. President, I want to talk about another section in this document entitled "Bureaucracy." Everybody lights up when they see that: Look out, here comes Uncle Sam knocking on your door; "I am from Internal Revenue or some other agency of the Federal Government and I am here because I work for the bureaucracy." "Bureaucracy" is spelled out in big bold letters.

I do not have to tell you what that word means to our constituents. It is a big red flag that is named "big brother," "red tape," "no parental choice." This section on "Bureaucracy" goes on to say that the Mitchell substitute to the ABC bill "would allocate up to 30 percent of a State's grant money off the top for administrative overhead, inspections, increasing child-care worker salaries, training, and other purposes."

The ABC bill does not allocate 30 percent of funds for overhead. It allocates 8 percent—8 percent and only 8 percent—for overhead. The rest of the 30 percent would go to increase the supply and quality of child care, not overhead. So again, this is an outright misstatement.

Mark Twain once said to "get your facts first, and then you can distort them as much as you please." Well the unnamed persons who drafted this document didn't bother with facts at all. They just moved right on to distortions. I hope we do not see any more of this kind of trash, as I consider it, put out in total disregard of the truth. There are many people I respect who disagree with this bill and are going to vote against it, and that is their right. They have some good arguments. I may not be convinced, but they have some good arguments. Let us talk about the facts of this bill. The facts did not matter here.

In my judgment Senator DODD has argued here long and well to look at the facts of the bill. Call us, call any of us who are involved in it, certainly the Dodd staff and the Hatch staff and the Senators themselves. They will be glad to tell you the pros and cons. They will even be glad to admit there are other sides to the issue.

My colleagues should debate the ABC bill that is before them, not what is in their minds or what they wish were here so they could throw it up as a strawman to knock it down. Do not bring up a bill that no longer exists. Let this bill rise or fall on what is really in the bill. Let the debate center on the facts of the bill, not the lies or distortions that are put out. What we are debating here is far too important for that.

I am concerned. I am concerned because the misinformation that I have been talking about is not just limited to the blue sheet that was put out yesterday and the workpaper passed out at the Republican caucus. I have heard a lot of misinformation on the ABC bill in this very Chamber. I have read distortions that are printed in newspapers and other periodicals. I have heard from my constituents who talk about these distortions as if they were the Gospel truth. It is like a bad disease that spreads until it can no longer be controlled.

Who is responsible, Mr. President? I submit we are—you and I and our colleagues in this room. All of us have a responsibility—whether we support the legislation or we oppose this legislation. We are the ones who should know what is in the Mitchell substitute and what is in the Dole substitute and talk about those issues. Mr. President, we have an obligation to tell the truth about what we are debating.

I received a call from a constituent yesterday who said that 80 percent of the ABC bill, he understands, is overhead—not 30 percent but 80 percent. He dared me to show him anything in print that says that only 8 percent of the ABC funds go to administration. This is what happens when you spread misinformation.

This week there was an editorial in one of our major Arizona newspapers that said grandmothers have to run "through hoops and hurdles" to get ABC funds. It said that ABC allows funding of church day care so long as there are no prayers. This is what happens when you spread lies.

Do you know how the editorial ended, Mr. President? Let me read how it ended.

The ABC bill is big brother government at its meddling, family-wrecking worst. It is no Act of Better Child Care. It is a misguided waste of $12.5 billion spent on Anything But Children.

In case my colleagues missed that last figure—its $12.5 billion. Where did they get that figure? It is a new one that I have come across. But if you want to not tell the truth about something, you might as well really blow it up. That is what has happened.

I sound like I am mad, and I am mad. I hate to see things distorted when there is no need to it. I am a cosponsor of the ABC bill because I believe in it. I will fight with all I have to see that it is passed. I'll fight because I believe in this bill.

Do you know what some of my constituents in Arizona will say about me when this is all over? They are going to say "DECONCINI voted for this bill. He must be antiparental choice. He must be antifamily. He must be for 'big brother government at its meddling, family-wrecking worst.'" This is what happens when you fight with lies. You are damn right—I am mad.

I happen to know Senator HATCH quite well. He and I came here at the same time. I know he is being accused of being antifamily. The Senator from Utah, the junior Senator from Utah, is being accused of being antifamily. I have read some of the things that have been written about him. I do not know anyone, on either side of the aisle, who has been more profamily than ORRIN HATCH. He is fighting for a bill because he is fighting for families. He understands what it is all about. He has shown a great deal of courage on the floor of this Chamber, and in the process he has come in for some unjust criticism. I repeat. This is what can happen when you fight with lies.

In closing, I want to say a word about standards. Our friend from Connecticut has gone over this again and again. I think there has been more misinformation and distortion about standards than anything else in the bill.

After all that has been said, we still hear that standards in the ABC are mandated Federal standards. We still hear that grandparents have to meet Federal requirements to get ABC funding. There are also more subtle distortions. "Once the bill is locked into law," some contend, "its supporters will return and make everything under this bill Federal." I have heard Senator HATCH say here he is not going to vote for that. Neither am I. I do not believe that most people in the Senate would vote to do this.

I want to say loud and clear that when we are talking about standards in the ABC bill we are really talking about the quality in child care. Some of the opponents of this bill have uttered the word "standards" as though there was something to be ashamed of, as though it was simply another bad word like "bureaucracy." Make no mis-

take, when we are talking about standards, we are talking about recommended standards in critical areas of health, safety, and quality. The ABC bill, like other child-care bills in this Congress, seeks to address the pocketbook concerns of parents. But the ABC bill is the only bill on the table, the only one, that seeks to ensure that child care will not increase the risks of injury and illness for our children.

To those who continue to criticize the notion of standards, let me remind them of a poll taken just 2 months ago. In that poll, parents listed "quality" as their top concern—their No. 1 concern—with regard to child care.

Two days ago I talked on the floor about a 10-month-old baby who died in the home of a day-care provider. The provider had given Ashley massive doses of antidepressant drugs to keep her quiet. After Ashley died, it was discovered that the provider had previously been convicted of abusing her own children.

Is it antifamily to say that States must pay some attention to the background and training of the child-care providers? I do not think so.

In Brooklyn, a fire broke out in an unlicensed child-care center. The provider was looking after more children than the State standards allowed and could not get them all to safety. A 2-year-old and 4-year-old died as a result.

Is it antifamily to say that States must pay some attention to the number of children one child-care provider can look after? That is common sense. Is it antifamily to say that providers must have adequate safety exits in case of a fire?

This is a fact, Mr. President. Half of the women in America have to leave their babies in child care programs that they do not trust. Is it antifamily to give parents some assurance that their children are with adults who know first aid or who can recognize measles or who have passed a criminal record check?

What the ABC bill strives to do is give us accountability in caring for the most important resource we have. Accountability is what we should be concerned with here—in this debate—on this critical issue of child care.

The American people have the right to know what is in the Mitchell substitute and what is in the Dole substitute. The public has the right to know. It is our responsibility to ensure that they know the truth.

Mr. President, I want to go back to something I mentioned a couple of days ago. I know the Senator from Connecticut followed up on it. The history of this bill—and this, believe me, takes nothing away from the tremendous work the Senator from Connecticut and the Senator from Utah have put into this—goes back to, I believe, about 6 years ago when I first came across a major effort here. It was put together by Senator CRANSTON, the Senator from California, and a lady by the name of Susanne Martinez, who was then doing a survey nationally to try to find out what the child-care needs were. What a very positive approach that was.

This is not something that Senator DODD and Senator HATCH began 2 days ago or even 2 years ago. Senator DODD and Senator HATCH have spent years putting together a bill. They started pretty far apart, I remember. And what we have now is a compromise bill.

I just want the record to show that there is a long history here. And the work we are doing today deserves many, many applauds for the Senator from Connecticut—for his steadfastness, for being out here and constantly knocking down these bogus arguments. He must be a little tired of it. I certainly get tired of it. I just turn on the television in my office for an hour or so and listen to what is going on here. I am darned tired of it.

I think it is time that we debate the facts that are in the ABC bill. Maybe everybody ought to take a 2-hour break here, and maybe the majority leader would like to do that this evening, and everybody sit down and read the bill. You can do it in less than an hour. I think we can all learn something about what is actually in that bill.

Mr. President, I want to thank the Senator from Connecticut for his tremendous leadership on this issue. He showed some frustration at some of the bogus arguments that were made here a few minutes ago, and I do not blame him. He must be absolutely burned out, having to get up here time and time again, and explain time and time again, what is in the bill and what is not. If you want to be against this bill, fine, be against it, but let us not distort the facts and the truths that are in this ABC bill.

Let us have the courage here to stand up for the children, to stand up for the family, and to do something that is really right. Nobody is going to get hurt by this bill. I am not sure it goes far enough. But the old saying is that "you have to crawl before you can walk, and you have to walk before you can run." And I think we have begun a good effort here toward better child care for America's families.

The PRESIDING OFFICER. The Chair informs the Senator from Connecticut that the time allocated to him under the previous order has expired.

Mr. DODD. I thank the Chair.

Mr. President, I ask unanimous consent that I be allocated an additional 5 minutes and that the time allocated to Senator DOLE be reserved. I may not even need all 5 minutes here.

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

Mr. DODD. Mr. President, first of all, let me thank the Senator from Arizona. He has been one of those people who has been actively involved in this issue from the very first hours we began this discussion, going back a number of years ago, and has proved to be an invaluable ally in the discussion of child care.

Before my colleague leaves the floor, I would take a second, because I know he will be interested as a student of history, and I know how much he loves history. Of course, it was 21 years ago that our former colleague, Fritz Mondale, proposed and succeeded in adopting a child-care bill here on the floor of the Senate. It was vetoed by President Nixon, and although the vote was overridden in the House, it was not here in the Senate, so the child-care proposal of 1968 failed.

What my colleague may not be aware of, even prior to 1968, this body, 46 years ago this month, on June 29, 1943, the Senate, after a 2-day debate, passed by voice vote, a national child-care program. It was called the War Area Child Care Act of 1943. The author of the bill was the Senator from Utah. His name was Albert Duncan Thomas. He had been a Mormon missionary in Japan and a professor of political science at the University of Utah before entering the Senate in 1933. It was as chairman of the Committee on Education and Labor that Senator Thomas brought a $20 million a year child-care measure to the floor of the U.S. Senate.

I remind my colleagues of the year, 1943, June, in the middle of World War II, and $20 million in 1943 was a lot of money. This body, by a voice vote, a voice vote, said we need a national child-care program, because young men were fighting in the European-Pacific theaters. Their wives were at home raising children and also working, war production.

Some of our people around the country who may be watching and listening to this debate may have been involved in that, may have been mothers back in the forties and know what I am talking about and remember those days. There is one child-care center left in the United States that was authorized under this War Area Child Care Act of 1943, and it is in Santa Monica, CA, and still is running. All the rest, after the war, ended up being disbanded, because families came home and dad was there, and dad went off to work, and mom stayed home with the children.

It was fascinating when you go back over the debate—and I invite my colleagues, if they enjoy history and revisiting arguments, to read the CONGRESSIONAL RECORD of June 29, 1943, and listen to some of the arguments on the floor about the child-care proposal of Senator Thomas of Utah.

By the way, Senator Danaher, of Connecticut, who is still alive, was one of those Senators who was raising a lot of questions about the child-care bill, whether or not we were going to set up some huge bureaucracy and how much flexibility parents would have. It seems you go back and you can read a debate of 46 years ago, and you could change the date on it, and you would almost think it occurred this afternoon.

Let me quickly share just a couple of the statements, some of the speeches made in defense of the Thomas bill. Senator Thomas said, and I quote him here:

> I agree that mothers should not be in industry. I agree with all my heart and soul that they should not be in industry. I wish they did not have to be in industry, but they are in industry, and children are being neglected as a result. Because children are being neglected and mothers are not being taken care of, the Government has stepped in to try to do some good. No one objects to that.

June 30, 1943. Listen to Robert Taft, of Ohio, whose portrait is only a few feet from this Chamber, chosen by the Members of this body as one of the five most distinguished Members ever to serve in this body in the 200-year history of this great institution. Again, not unlike my colleague from Utah today, Senator HATCH, who hardly needs his Republican credentials to be endorsed by this Democrat. He has a long history of being associated with the Republican Party, and being a proud and constructive member of it, and certainly Robert Taft, of Ohio, fell into that category. Listen to his comments:

> I think that if women are to work in defense industries, they are to be called upon to work, we must make some provision for taking care of the children, particularly the young ones, when women are working in the factories. Otherwise, mothers will not work, we will not have the woman power necessary to fill the vacancies in the war production plants.

June 29, 1943. I hate to remind my colleagues, but here were two conservative Members of the Senate, Robert Taft of Ohio, and Senator Thomas of Utah, in 1943 addressing the argument raised by some about the need for child care in the middle of World War II. Thank God we are not in the middle of a world conflict.

But just as women were involved out of necessity in 1943, in industry, away from the home, we find today many women, for other reasons, are faced with the same situation. As single parents, they must work, in order to provide for the economic needs of their families. As spouses whose husbands make less than $15,000 a year, they must work, in order to provide for the economic needs of their families.

Just as Senator Thomas, and just as Robert Taft said 46 years ago this month, "I do not like that, I wish that were not the case." But the fact of the matter is, it is the case. As long as that is the case, "there is nothing wrong with Government trying to step in to do a little good," to quote Senator Thomas of Utah, 46 years ago.

That is all that Senator HATCH and myself and a number of Republicans and many Democrats are trying to do with the Act for Better Child Care. They can mimic us and make fun of the name and try and choose other letters to describe it, but all we are trying to do is to ease the burden of some American families who are caught between having to make terrible choices, the love of their family and the necessity to work. It is not a choice they willed upon themselves. It is not a choice that they like to meet every day.

When that mother and father get up in the morning and take that infant child, the most precious possession that they have, and load them into that car and drop them off with some people they may have only met a few days ago or a few weeks back, and leave that infant for 8 hours a day, 5 days a week, month after month, I do not think it is asking too much that we in this Congress step forward and try and lighten the burden financially, to increase the availability of choice for those parents, and to be able to say to them that we are going to do our best to see to it that that place where you leave the most precious possession in your life is going to be a safe place for them.

We cannot guarantee that. No law can. Unfortunately, there will be those who will take advantage of a situation. But we can try and we can at least try to put into place some suggested ideas on how to minimize the risk of the most vulnerable part of our population, infant children. And that is all we are trying to do here, no different than what this body did on a voice vote 46 years ago, for different reasons then, circumstances were different, but the net effect was the same, and I am confident that this body and I am confident that this President who represents us all today are interested in seeing us step forward to try and help in the area of child care.

Mr. President, before this debate is concluded in the next several days or weeks I am confident that we will provide for the American people a child-care program that at least reduces the cost for many, not all, but some, that will expand the availability, not for everybody, but for some, and that will improve the quality of that child care, not guarantee it absolutely any more than we can with any bill or law we ever pass but to at least listen to the arguments of some that this is a bureaucratic monster that is imposing standards and denying parental choice and mandating where children go, I would invite them to read the RECORD of 46 years ago and to look at what good Republicans and good Democrats could do in the middle of a war. Not once in that debate did I find a single Senator stand up and say, "We can't afford to do this; we need to put that $20 million to work in Europe and the Pacific theater to defeat the enemy."

I found no single reference to a Member of the Senate making that argument. They understood the importance that a strong nation not only depended on our ability to defeat the outside aggressor, in that case Japan and Germany, but our strength in no small measure depended as well upon our investments in a generation of children of which I am one.

I was born 11 months after that legislation was passed. I am a child of that generation. And I think our parents did a pretty good job of raising a generation because they cared about us. Not all of our parents could have been home or were home in World War II or the Korean conflict, but this country and the adult population of that generation did not forget us as children, and I would like to think today that they would be proud of what we are doing or trying to do.

I would like to think as well that 46 years from today that some Senator, maybe from Connecticut, maybe from Indiana, would be sitting or standing on this floor talking about what they might be able to do for the children of their generation. We can only imagine what the problems might be just as certainly our own parents could not even imagine maybe what the world would look like in 1989. But I would like to think they can have that debate, they could discuss what the priorities ought to be and would look back and be able to say about us what we can say about our parents, that even in the middle of a conflict like a war they took time out to worry about the children of their generation, that even in a time of fiscal crisis, limited budgets, difficult questions, we can take out the time to worry about our children, to make it a safer and a better world in which they can grow and become productive, constructive adults.

That is all this is really all about. That is all we are trying to do here.

As the Senator from Arizona has said, there is nothing perfect about this bill. I would be the last person as the author of it to tell any of my colleagues that there are no flaws here. Like most of us who write legislation, you guess a little bit, you hope you are right. Time will tell. If we are wrong, we will come back and change it a little bit and make it right.

But the idea that we are trying to provide some direct assistance to families, that somehow that is unacceptable, Bob Taft did not think so in 1943, to provide direct assistance to

families, if that child needed a good child care setting. Senator Thomas, of Utah, did not think so. They did not argue about those sorts of things, whether it was a tax credit or a direct subsidy, let us help them, let us weigh in, let us do a good job, instead of getting into some mindless, ideological debate about some meaningless political philosophy, that wanders out there in the upper reaches of the atmosphere that does not mean much to most people who are trying to make ends meet today.

So, Mr. President, I invite my colleagues to read that debate. It is not a lengthy debate, those 2 days in June of 1943. But it is an enlightening debate.

We always like to think we are doing things for the first time here, we are inventing the wheel. But we are not in most cases.

And that debate indicated exactly what the priorities of a nation ought to be even in the middle of a great world conflict.

Tomorrow we will have an opportunity to vote and get underway, and I am very confident and hopeful that we will all be able to go home for our Fourth of July recess, that whatever amendments Members have to offer, they will offer them in good faith, make positive, constructive suggestions on how to improve the legislation, but let us get about the business. Let us not drag this out. Let us not go through a process where we play games with one another for the next 2 or 3 days in order to gain, as I said earlier today, some upper hand politically about who is the author of child care.

Let us do something that we can all go home, Republican and Democrat, conservative and liberal, and say to our constituents we have done something here. We do not know if it is perfect. It does not take care of everybody, but it gets us on track now that we understand the problem.

I think we will all do well politically if we take that position instead of going home and trying to pretend we defeated one side or the other in this battle. The American people could care less about our political battles. What they care about is what we might do in a positive and constructive way for them.

Mr. President, I have exceeded the time that I have asked for, and I see my good friend from Indiana is over here on the floor and I apologize for going on a few more minutes. Let me yield the floor.

The PRESIDING OFFICER. Does the Senator from Indiana yield himself time from the time allocated to Senator DOLE?

Mr. COATS. I do. I yield myself 15 minutes, Mr. President.

The PRESIDING OFFICER. The Chair recognizes the Senator from Indiana [Mr. COATS].

Mr. COATS. Mr. President, I say to my colleague from Connecticut that I do not question his motives in bringing forth this legislation before the Senate. He is a passionate and articulate advocate on behalf of children of this country and he has articulated his position very well and very passionately in the last few days.

I have worked with him on a number of issues, and we have not agreed necessarily on each of those. Some we have; some we have not.

I disagree with him on this particular issue because I think a different approach ought to be used, but I do not question his motives in bringing forth the bill and in sincerely attempting to provide additional child care for children of this country.

As I said, we have a decidedly different approach to what is a very real problem, a problem that exists today because our work force is changing. Mothers are moving into the work force in record numbers. Child care is an important component of that.

I have raised over the past several years a number of questions about the impact of this on our society, the impact on children, the effect that it might have on the next generation. Those are questions that psychologists, psychiatrists, medical experts, policymakers, and others are debating, and we can find advocates for both sides of the equation.

Researchers will come forward and present statistical evidence indicating that infant child care potentially is harmful. Others will say, no it is not; it depends on the quality of care.

Those of us who believes that there is no substitute for a mother's care, that you simply cannot begin to provide the kind of care and love and concern that a mother can give want to argue for a system that does not discriminate against that mother that chooses, often at considerable financial sacrifice, to stay at home.

Therefore, we are supportive of the Dole bill which recognizes the mother who chooses to stay at home and the importance of that decision.

Now we also recognize that there are plenty of mothers who have no option. They are single parent mothers. They are mothers from low-income, two-parent families. They are mothers for whatever reason of necessity have to be in the workplace and therefore need some form of child care, and for those certainly providing assistance in achieving child care is a desirable goal because often the only alternative is welfare and we ought to be encouraging, not discouraging families and mothers from staying out of that system.

And that is why Republicans have supported over the years a system of credits for dependent care which now totals about $7 billion. It is wrong to characterize this debate as for child care or against child care, or we are now putting into place a child-care system. That is already in place.

Our Tax Code, to the tune of $7 billion, allows for dependent care credits. I think it ought to be changed so it retargets the assistance to those who really need it because there really is no debate over those single mothers, those mothers in low-income families, in financial situations, who have no choice but to enter the workplace. There is no debate over whether or not they need assistance in meeting their child care needs.

The debate is whether we ought to put in place a new system, a system that is designed to funnel money into an existing child care delivery system that is State controlled, in one fashion or another; whether we ought to funnel the money through that system or whether we ought to take a broader approach and try to reach out to all those families in America who have children at home, recognizing the difficulties they have in meeting their financial needs in raising their children, in a way that gives them the choice as to how they raise those children and how they provide that care.

The Dole bill, the bill that is proposed as an alternative to ABC, is an attempt—again, not perfect—but an attempt to reach out and recognize the broader policy implications and the broader needs of helping all families. We do so by expanding the earned income tax credit so we give the parents at home additional funds with which to provide for family expenses.

If they choose to use it for child care purposes, that is their choice. But if they choose to use it to help supplement or help with the income of that mother who chooses to stay at home or the family who chooses to have the mother staying at home in those crucial early child-rearing years, then they can use it for that choice. And the word "choice" is the critical distinction between the two.

I suggest it is a distinction that cannot be merged or married in a successful way between the two bills. That is why there is such division here about the approach we ought to take.

Yesterday I talked about the fact that the ABC approach does not resolve the question of provision of assistance to religious day-care providers. I indicated what an important segment of day-care provision that is. That up to a third of parents choose to have their child cared for in some form of religious institution or in care that incorporates some form of religious instruction or in a church or synagogue-type of facility.

That that is a very important component of the child care that is provided to today's young children and it is the choice of many, many parents. It is, in fact, a superior choice because it

does provide quality care at often much lower prices. Because the church is doing this as a mission, as a service. It utilizes people from the congregation as assistants. They often work for less or volunteer. And, in many instances we find a very acceptable and often superior form of child care.

I detail, by going through the bill section by section, the problems and the limitations that I thought would occur if we passed ABC. And the fact is that it would shrink up and drive out of the business those very essential components of child care provision that are being provided by some type of religiously oriented child care. That is a part of the record. We did that yesterday.

Today, I would like to focus on the question of mothers at home that I talked about earlier. ABC proponents believe that families should be rewarded based on their child care decisions. And that families which choose to place their children in out-of-home care deserve Federal assistance but those who sacrifice income to remain at home do not deserve Federal assistance.

They argue that, given the choice, most mothers would rather pursue a career than care for their very young children at home. And we hear this argument over and over.

"Wake up. Move into the 20th century. Mothers want to work. They want to be in the workplace. They want child care. They do not want to stay at home to raise their children and therefore, we need to assist them and recognize that decision and assist them with financial assistance."

Well, I do not think those who make that argument know the American family very well.

True, there are American mothers who make the choice to be a part of the American workplace and that is their choice. No one is trying to dictate that for them. What we are saying is those that choose not to ought not to be discriminated against as we direct Federal assistance only to those who choose to do so.

As I said, we have not correctly identified today's American family. According to the most recent survey of child-care arrangements by the Census Bureau, more than 9.7 million, that is 54 percent of the nearly 18 million children under the age of 5, are primarily cared for by a mother who stays at home with her children. Fifty-four percent of the children under the age of 5 are primarily cared for by a mother who stays at home with her children.

An additional 7 percent have tag-team parents who share child rearing responsibilities. And an additional 4 percent have double-time mothers who care for their children while they babysit other children or earn income in some other way at home.

Thus, the primary care arrangement for 65 percent of all preschool children is by one or both parents. When we add the 11-percent primarily cared for by a grandmother or other relative, we see that nearly three-fourths of all the children under the age of 5 are primarily cared for by one or more family members.

Is care at home the choice of most families? According to a recent survey by Glamour magazine, 84 percent of mothers who worked full time or part time said:

If I could afford it, I would rather be at home with my children.

The Dole-Packwood amendment goes a long way in letting these families keep more of their income. It may not result in massive numbers of families deciding suddenly to take a mother out of the workplace and have her stay at home. But it sends a very important signal and helps establish tax fairness for families. And most importantly it allows the choice to be made by the parents, by the mother; and it does not bias the choice by government.

I recently received a brochure entitled "Mothers Speak Out on Child Care."

Mr. President, I ask unanimous consent that this brochure be printed in the RECORD.

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

(See exhibit 1.)

Mr. COATS. Allow me to read some excerpts from it that I found particularly enlightening. I quote from this pamphlet:

Legislators under pressure to end the Nation's child woes may be rushing to give America's mothers precisely what they do not want. The fact is, as political cries for "more quality day care" reach a near-deafening level, millions of women are quietly looking toward another kind of solution to the child care crisis: They are looking for creative work options that allow them to rear their own children. Whether they choose to pull back from full-time work to part-time, to open a home-based business, or to quit work altogether while their children are young, the motivation for most mothers remains the same—to keep their children out of day care.

Yet, political leaders, perhaps unaware of this trend, are ready to provide mothers with exactly the kind of care they are trying to avoid. Sought out by various day care advocates—representing business, labor, social services, and education—many legislators have considered the advice of everyone except the very group whose interests they seek to promote: the nation's mothers.

When the child care crisis is viewed from the eyes of today's mothers, it becomes evident that political leaders have fallen prey to the following misconceptions:

Misconception No. 1: The belief that most mothers today need substitute child care.

Misconception No. 2: The belief that the needs and desires of mothers and children are accurately portrayed in the media.

Misconception No. 3: The belief that providing more "quality care" is our only realistic option.

These misconceptions, which have led to a serious misunderstanding about who today's mothers are and what they need, demand closer examination.

And then a second from that brochure ensuring our children's best possible care:

Mothers across the country are watching the national child care debate with growing alarm. They have seen it evolve from a rational and sensitive discussion of the plight of America's mothers into a frightening political battle between forces that have long since forgotten what is really at stake. They fear that in the end the "solutions" it yields may compromise what is good for them and what is best for their children.

Most mothers today do not believe that loving care can be created by legislative mandate, or bought with generous salaries and top-of-the-line play equipment. When they demand "quality care" for their children, they are not referring to adequate fire exits and adult-to-child ratio. They are referring to genuine love, to personal and immediate attention to individual need. They are referring to that care which teaches a child that he comes first to somebody—in short, the kind of care that has never been for sale.

These mothers do not make their child care decisions based on scientific studies or the findings of Congressional committees and Presidential commisions. In the final analysis, when a mother makes that hard choice, she consults the dictates of her conscience, the inclinations of her heart, and the commonsense evidence of her own two eyes.

For most mothers today, that evidence suggests that their children need them. So, while legislators consider child care programs which no one knows how to fund or staff or regulate—programs which even proponents cannot confidently predict will do an "adequate" job—millions of mothers are pioneering their own real-life solutions to the child care dilemma. These mothers, who have ignored conventional wisdom in order to pursue uniquely personal strategies and options tailored to the needs of their individual families, may well be providing the very leadership that will finally steer us toward a sound public policy on child care.

One thing is certain: the children of this nation deserve to be raised in the best way rather than in the most expedient way. Let us work together to ensure that all parents can freely choose the best possible care for their children.

Mr. President, I think what has been so eloquently stated by this organization, Mothers at Home, is that there is no substitute for care at home by a child's mother. As I said earlier, I recognize the reality of the fact that there are many mothers who simply have no choice, and for those mothers we ought to be compassionate and reach out and find ways of assisting legitimate child-care needs. We ought to recognize also that there are mothers who want to have the choice, want to have the option, staying home and raising their children especially in early years, adjusting work schedules through flextime or work-at-home

procedures whereby they can perform work at home and provide child care for their children, working out informal child-care arrangements with neighbors, relatives, or friends, sharing child-care arrangements with fellow workers—a whole range of options that ought to be open to mothers who make their choice to be with their children and want to avoid institutional care.

We are now attempting to put into our child-care delivery system a bias which simply says if you work, we will help you, but if you as a mother make the choice, you as a family make the financial sacrifice to stay at home and raise your children, then we will not help you at all; you are on your own; do the best you can but do not expect any help from us. And so as we bias a system toward only providing help for those who work, we discriminate against those who make a very important choice, often at financial sacrifice, to stay at home.

Now we have talked on the floor about the problems of ABC and how as you attempt to devise a system to deliver child care services to families you run into a whole myriad complex of questions and problems and interpretations and potential court battles and potential discrimination and establishing of standards that throws the whole system into chaos and drives out many of those who are working on an informal arrangement, they throw up their hands and simply say, "I cannot, I won't; it is impossible to comply with the standards that are put before us."

Yes, the ABC bill has been changed to remove the Federal standards but, as I indicated in earlier testimony, there are a number of instances in the bill whereby the standards will be imposed and be part of the delivery system or the providers will not qualify for the care. So grandmothers who are exempt or in-laws or step-parents or those who do not qualify under the exemptions will find that meeting the standards or coming under the guise of a State regulation will simply not be worth the trouble and they will either go underground or get out of the child-care provider business, thereby shrinking the slots available for child care.

One of the local papers here just this week detailed the discussions that are underway with the country board of supervisors over the child-care delivery system in Fairfax County and how people came before the supervisors to testify as to how complicated, how burdensome, how unwittingly some of these regulations were causing problems in delivering child care and how they were prepared to go out of the child-care business if they could not find some adjustment. So we are constantly faced with a situation where the State is attempting to determine the standards and, as such, creating problems that it never could have conceived. One of these standards in a Fairfax County governmental unit was that no child should be spanked during child-care hours. The mother was asking the supervisor, "Well, along with the children that I care for, I also care for my own child, and are you telling me that if my kid comes up and kicks me in the shins I cannot reach down and spank him or discipline him?" The supervisor said, "Well, under the provision"—in fact, it was the supervisor who asked the question—"Under the provision," the supervisor said, "that is not what we intended." But someone else jumped up and said, "Well, yes, that is what the standard says because we do not want to send a signal to the other children that spanking is permissible, and if you cannot spank them all, we do not want you to spank any of them." The mother said, "How do I discipline my own child?" "You have to do it outside the child-care hours. You cannot discipline your children when you are caring for other children."

I do not think I have to quote a psychologist that whatever discipline there is between a parent and a child needs to occur as close to the incident as possible. A child's attention span and memory is quite short. Something a child does that needs immediate attention or discipline ought to be attended to immediately by the parent. You cannot wait 6 hours later until the mothers pick the kids up and they go home and then apply whatever form of discipline you as a parent think is appropriate for that situation.

I just raise that as one example of a situation that you get into when you have a State or government unit imposing standards that apply to child care providers. You lose the flexibility, you lose the ability of the system to adapt to the changing needs of working mothers and stay-at-home mothers.

I could go on and on, and many have discussed on this floor the problems that exist with ABC. There is a better approach; there is a simpler approach; there is an approach that I believe most parents want, and that is the approach of giving them the choice, the choice of who provides care for their children, who is in a better position to determine who should care for their children than the parents themselves. No State can better determine the child care needs of a particular child and the provisions of a particular provider better than the parents. They are the ones who walk in the door and say, "Is this where I want my child to be?"

The religious question, the question of the religious providers being eliminated or at least reduced significantly under ABC, the fact that mothers at home should not be discriminated against, we have gone on and on here for the last several days about the problems of ABC and how these can be solved by the Dole substitute which provides income to parents for them to choose the best way to deliver those services to their children.

So I urge my colleagues to carefully read the bill, as has been urged by the Senator from Connecticut, because if you do, you will see the long winding road to complicated State delivered child care and the tortuous things you have to do in order to meet the requirements to satisfy the demand and yet fall short. I urge them to read the bill and urge them to look at the simplicity of the Dole substitute and go home and ask their constituents, what do you prefer? Do you want us to put some funds in your hands so you can make a determination about raising your children or do you want us to fuel a child care delivery system that is controlled by the State and that has all kinds of limitations in it? Do you want us to deliver the services that way? I think the overwhelming majority would respond, "Give us the choice; give us the flexibility; let us make the determination as to who is best qualified to care for our children and what service arrangements we can make in order to care for the children."

Mr. President, I think I have overindulged the time of the minority leader. I yield the floor at this time.

EXHIBIT 1

MOTHERS SPEAK OUT ON CHILD CARE

MOTHERS-AT-HOME

Mothers-At-Home is a non-profit (501C3) organization devoted to the support of mothers who choose (or would like to choose) to stay home to nurture their families. It was founded in 1984 with a three-fold purpose in mind:

To help mothers at home realize they have made a great choice—one made by many smart women today;

To help mothers excel at a job for which no one feels fully prepared;

To correct society's many misconceptions about mothering today.

Mothers-At-Home accomplishes these goals by:

Publishing "Welcome Home," a monthly newsletter that puts mothers at home across the country in touch with each other;

Researching, writing, and speaking on topics of interest to today's mothers;

Speaking out everywhere from the popular talk shows to the major news networks, and sharing everything from advice at parenting conferences to testimony on Capitol Hill.

PREFACE

Mothers-at-Home is concerned that the current clamor for more and "better" child care will push legislators into adopting policies that most parents do not want. We are convinced, after five years of hearing from thousands of mothers on this very topic, that the true nature of today's child care crisis is sorely misunderstood; and that leaders who have been quick to listen to the ideas of special interest groups have over-

looked the thoughts and feelings of the most important group of all—the nation's parents.

In hopes of giving a voice to mothers in particular, we have prepared Mothers Speak Out on Child Care—a concept paper which describes the child care crisis as we understand it. In the course of compiling this paper, we have studied various legislative proposals, reviewed conservative and liberal policy papers, examined widely-acknowledged studies, and kept abreast of related media coverage. However, the conclusions outlined here are not dependent on these sources; rather, our assessment of the child care crisis and our suggestions for solving it have grown out of firsthand experience with the mothers who are living it. In fact, the paper itself is the result of a year's work by a host of volunteers, many of whom have personally experienced the heart-wrenching decisions discussed in the following pages.

We challenge those who read Mothers Speak Out on Child Care to consciously seek out mothers and listen to their views on those timely issues, then judge for themselves the accuracy of this report.

MOTHERS SPEAK OUT ON CHILD CARE

Legislators under pressure to end the nation's child care woes may be rushing to give America's mothers precisely what they do not want. The fact is, as political cries for "more quality day care" reach a near-deafening level, millions of women are quietly looking toward another kind of solution to the child care crisis: They are looking for creative work options that allow them to rear their own children. Whether they choose to pull back from full-time work to part-time, to open a home-based business, or to quit work altogether while their children are young, the motivation for most mothers remains the same—to keep their children out of day care.

Yet, political leaders, perhaps unaware of this trend, are ready to provide mothers with exactly the kind of care they are trying to avoid. Sought out by various day care advocates—representing business, labor, social services, and education—many legislators have considered the advice of everyone except the very group whose interests they seek to promote: the nation's mothers.

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These misconceptions, which have led to a serious misunderstanding about who today's mothers are and what they need, demand closer examination.

MISCONCEPTION NO. 1—THE BELIEF THAT MOST MOTHERS TODAY NEED SUBSTITUTE CHILD CARE

For the past twenty-five years, almost the only news the American public has heard about mothers is that they are leaving home for the workplace. At the basis of every discussion of the subject are government statistics—indisputable evidence that the number of mothers in the labor force has risen dramatically over the years. However, a general misunderstanding of what these figures actually measure has led to inaccurate and potentially dangerous conclusions about society's need for more child care.

Statistics On Working Mothers Do Not Measure Child Care Needs

Everywhere from Congressional hearings to local meetings of the PTA, the same cry is heard: Mothers are working, and there is a critical shortage of child care for their children. Leaders from every sector of society are urging immediate action, backing their pleas with government statistics that have become so well known and widely accepted that hardly a reference to motherhood escapes mention of them.

"Those who decry the trend for children to be placed in out-of-home care must accept the fact that American society has changed," stated the American Academy of Pediatrics last year in testimony before Congress. "More than 50% of mothers with children under one year of age are in the out-of-home workforce. Greater than 60% of mothers with children under three are similarly employed."

At the same hearing before the Housing Committee on Education and Labor (February 25, 1988), the YWCA reported: "Our country is faced with a major child care crisis because the number of children with working mothers has grown tremendously. By 1995, two-thirds of all preschool children will have mothers in the workforce; and four out of five school-age children will have working mothers."

Most likely, the representatives of these organizations based their use of the statistics quoted above on media reports, which invariably combine announcements of the latest government figures with stories of mothers struggling to manage full-time jobs while searching for "quality" child care. Media presentations of this nature give most people the impression that every mother who joins the workforce needs a child care provider or access to child care facilities.

This perception simply is not true. Millions of mothers who are considered by the government to be an active part of the labor force do not need or want substitute care for their children. In fact, a close look at the statistics reveals that a large number of these so-called "working mothers" actually consider themselves "at home."

The U.S. Department of Labor Definition of "Work"

Almost every reference to the number of mothers in the workforce, including the three quoted above, can be traced back to the statistics on women and employment released annually by the U.S. Department of Labor (DOL). These statistics are based on a survey of 60,000 "scientifically selected" households, conducted each March by the Bureau of the Census. Because the objective of the survey is to identify trends by comparing labor force participation from year to year, the DOL has had to devise a standardized definition of "employment." This definition reads: "Employed persons are those who, during the survey week: (a) did any work at all as paid civilians; (b) worked in their own business or profession or on their own farms; or (c) worked fifteen hours or more as an unpaid worker in a family-operated enterprise. Also included are those who were temporarily absent from their jobs for such reasons as illness, vacation, bad weather, or labor-management disputes."

This definition clearly encompasses more than the full-time working mothers most people have imagined. According to spokespersons at the DOL, the 65% of mothers who are usually described as "working outside the home" also includes:

1. Mothers who work part-time, as little as one hour per week and up.—In a Newsweek-commissioned Gallup Poll of 1,009 women (reported in the March 31, 1986, issue of Newsweek), over half the mothers interviewed who were working part-time or flexible hours "said they had cut back or changed jobs to be with their kids." In other words, mothers who choose part-time work often do so just to avoid the need for substitute child care.

Such is certainly the case for the part-time workers who write to our organization. For instance, Diane Gates from Essex Junction, Vermont, writes: "When [my boys] started school, I went out and got a job working with special education children. I see my children off in the morning, and I'm home when they get home from school. I would give no one else the privilege of watching my children grow. What a beautiful career, being a mother."

According to the DOL, 16.5% of all mothers worked part-time in 1988. Only 44.4% of the nation's mothers were actually employed full-time.

2. Mothers who work seasonally, as little as one week out of the year.—Many mothers who work do so while their children attend school and avoid employment during their children's summer vacations. Other mothers work only occasionally during the year, perhaps substitute teaching, selling handcrafts, or helping a business during a high-volume period. These mothers who work seasonally are also calculated into the DOL statistics, although some work as little as one week out of the year. According to DOL tabulations, only 33.1% of all mothers with children under the age of 18 work full-time year round. That figure drops to 25.9% for mothers whose youngest child is under six years of age.

3. Mothers who work from their homes.—Whether working for employers or running their own home businesses, many mothers avoid child care by working from home. From Ann Arbor, Michigan, Diane Spears, a single mother with three children, writes, "I am doing some work in my home to help make ends meet. Money is tight, but I feel my responsibility is in the home with my children. I don't know of anyone better qualified than myself to raise my children." Another single mother, raising two boys in Piedmont, California, tells us: "I've been working at home as the primary provider for seven years. I didn't want to miss any of the rewards being a mother at home brings."

The DOL, however, makes no distinction between women who work at an office or factory or some other facility and those who work in their own homes. Therefore, an unknown percentage of the DOL's mothers who supposedly "work outside the home" refer to mothers who work with their children around them, literally inside the home.

4. Mothers who provide child care for other mothers.—Both full-time family day care providers and mothers who collect a check for watching a neighbor's child a few hours each day after school are counted in the DOL figures. Typical is Cindy Guzman, from Sacramento, California, who speaks of the days when she was working outside the home herself as opposed to her current situation as a family day care provider. She writes: "When my first son was four weeks old, I had to start a new job. It was a hard separation for me, [but] as time went on, we both adjusted. When my second son was born, I was once again faced with returning to work. [Instead] I checked out doing li-

censed child care. . . I have been home for two years now and looking back am proud of my thriving day-care business, my steady income, and my two boys growing up at home."

5. Mothers who work without pay for a "family-operated enterprise" at least fifteen hours per week.—Some mothers at home who write us mention participating in a family business. Whether or not they are paid for their work, these women are within the national definition of "working mothers." Yet, most of them are able to do their work from home or to perform their work during hours that allow their children full-time access to "Mom." Writes a former insurance agent, now the mother of one in Fort Lauderdale, Florida: "I do not have an income, but I am my husband's bookkeeper for his business, and I do many jobs that are his when I have time at home, so we can spend more time together as a family."

6. Mothers who work full-time but have flexible hours.—Even mothers who are employed full-time can defy the media image of the working mother. By arranging flexible work hours or by having their husbands do so, many women go to great lengths to avoid leaving their children in a day-care center or with a sitter. Although they definitely consider themselves working mothers, they are usually home when their children are home. An example is Linda Hayes, a mother of two from Vienna, Virginia, who works the so-called "mother trip" as an airline stewardess. An especially grueling assignment, which condenses a week's worth of work hours into back-to-back flights that can be completed in two days, it is nevertheless so popular that only women with nearly twenty years of seniority are able to request it. Says Linda, "It's just not in me to leave [my girls] so much of the time."

In some families where both parents are employed full-time, the husband and wife have a "tag team" arrangement: They plan their work schedules so that one of them gets home as the other is leaving for work. Thus, one parent is always available to care for the children. The DOL figures do not include information about child care arrangements; however, the Bureau of the Census (Who's Minding the Kids? 1984-85) reports that 7% of the nation's children under age five have "tag team" parental care.

7. Mothers who are on maternity leave, whether or not they return to their jobs.—Women on maternity leave also are numbered among the working population. This would include mothers like Camille Globerman, who later decided not to return to work. From New City, New York, she writes: "I have been on maternity leave for the past sixteen months, and now I am faced with the decision to either resign my job of $35,000 or leave my precious to another person for a ten-hour day! Even though the money is tempting, my husband and I feel that raising our daughter is more important; therefore, I'm going to resign." During her first sixteen months at home, the DOL presumably would have termed Camille a "working mother."

8. Mothers who are unemployed, but who are looking for work.—Since women who are job-seeking generally do not remain unemployed for long, they are considered an active part of the labor force and are counted as such. In 1988, 6.5% of the DOL's "working mothers" were unemployed.

Inaccurate Estimates of the Demand for Child Care

Thus, the Department of Labor's statistics on working mothers include women who participate in the workforce in a variety of ways—not just full-time employed mothers or those whose job circumstances dictate the need for child care. In fact, the Current Population Survey, from which the statistics are drawn, does not (at this writing) ask respondents any questions about child care; nor can a respondent's need or desire for child care be inferred from answers to other questions.

Yet, the notion persists that every mother who participates in the labor force needs substitute care for her children. This mistaken assumption has led many well-intentioned people—from community leaders to reporters to Congressional Aides—to routinely misuse the DOL statistics as "proof" of the need for more day care. It has even led researchers to project how many children will need day care in the near future by devising formulas based on the faulty premise of how many working mothers have been "counted" by the DOL. In reality, as explained above, many mothers who are considered an active part of the labor force do not need any child care services at all. Therefore, estimates of child care needs based on the DOL's employment statistics on women are both inaccurate and misleading.

Unfortunately, other methods of measuring child care needs either do not exist or have not been widely publicized. Possibly the most reliable indicator of child care trends across the nation is the aforementioned Bureau of the Census report, Who's Minding the Kids? It summarizes the results of a 1984-85 survey in which working parents were asked to describe primary and secondary child care arrangements for their three youngest children. According to this report, most children over age six are actually in school the entire time their mothers are at work. Children who require secondary (before and after school) arrangements or whose parents work during non-school hours are mostly cared for in their own homes and/or by relatives or friends.

The majority of preschool children (under five years of age) are cared for by their own parents: 54% have a mother at home, 7% have "tag team" parents, and 4% accompany their mothers to work or are cared for by mothers who earn income from home. Of those preschoolers who do have substitute caregivers, 11% are in the care of a relative, 10% go to a family day care home, 3% have a babysitter, and 11% are enrolled in center-based care.

This report indicates that the number of children under the age of fifteen in need of non-parental child care may be far from the majority. However, even a survey of how children are cared for today is only a measurement of current use, not a statement of need. Until further research is done, no one can provide an accurate assessment of how many of the nation's women who are described as "working mothers" really need or want substitute child care for their children.

MISCONCEPTION NO. 2—THE BELIEF THAT THE NEEDS AND DESIRES OF MOTHERS AND CHILDREN ARE ACCURATELY PORTRAYED IN THE MEDIA

It is clear that more mothers than ever before are participating in the workforce in someway. It is equally clear that these mothers are experiencing a deeply emotional crisis concerning the care of their children. Yet, in spite of considerable media coverage, the true nature of this crisis remains largely misunderstood.

The truth is that most people's understanding of the child care crisis is based on the media's perception of the problem. That perception—as portrayed in news stories, on talk shows, in books, on television, and in the movies—is far from what mothers really want and children really need.

Today's Mothers Defy Media Stereotypes

Media coverage for the past three decades has almost universally divided mothers into two distinct camps: mothers who are home with their children (pictured as a shrinking minority) and mothers who "work outside the home" (identified as the growing majority). Mothers at home are supposedly politically conservative, married to a high wage earner, and ideologically committed to the view that women belong in the home. "Working mothers," on the other hand, are depicted as educated women pursuing self-fulfillment in the workplace and mothers forced to work for economic reasons.

The outpouring of letters we have received over the past five years, from mothers of nearly every political, religious, and socio-economic background, completely contradicts this picture.[1] We have heard from single mothers who have managed to stay home, wealthy women who feel they "must" work, political conservatives who have balanced career and family for years, and ardent feminists who quit work as soon as their first child was born. Thus we have learned that mothers simply cannot be categorized by their work/home choice.

If anything unites mother today, it is not the choices they make concerning the care of their children; it is the exhausting inner turmoil they suffer as they weigh the alternatives. Pulled one way by an intense social and economic pressure to work and pushed another by a dawning realization that they are truly needed by their children, most mothers feel hopelessly torn. In fact, many of them wander in and out of the workforce—seeking from society support at work, then at home—only to find it severely lacking in either place.

A Generation of Women Unprepared for Children

In spite of the depth of their internal battles, over one third of the nation's mothers choose to forgo any labor force participation at all in order to devote the full-time efforts to nurturing their families; many others are employed only part-time or make creative arrangements that limit the amount of time their children spend in substitute care. Meanwhile, the child care needs of the remaining mothers extend far beyond the search for "quality care" so urgently depicted in the media. Rather, the media's "typical" mother—a woman whose preschoolers are subjected to a nightmare of inferior child care arrangements while on the waiting list for a "good" day-care center—is a mere glimpse of a much larger, much more poignant story.

It is the story of a generation of women who were led to believe that motherhood could be "hired out," and that life with children need not differ much from life without them. It is the story of women who had no real idea of what caring for a child would feel like or of the sophisticated skills and the sacrifice of time it would require. It is the story of women like Kathy Miller Rindock from Allentown, Pennsylvania, who writes: "I have always strongly supported the women's movement and consequently was totally unprepared for the depth and

[1] See Appendix A: What You Need to Know About Today's Mothers.

strength of emotional commitment I felt for my daughter. I never even considered not returning to work, so I wasn't prepared financially when I didn't want to resume my job. I am angry and frustrated and hurt."

Women like Kathy, influenced by the "have it all" hype of the seventies and early eighties, expected a relatively simple adjustment to motherhood. Supposing that caring for a child somehow "comes naturally," and consists of fairly straightforward tasks, they rarely thought beyond feeding, bathing, and cuddling an infant. Hiring someone to do these things for them while they were at work seemed perfectly reasonable, as did spending "quality time" with a child each evening.

However, these women have discovered that the kind of nurturing they want for their children requires more than custodial care; it demands the full-time attention and untiring efforts of someone who has a vision of what their children can become. Sometimes only days after childbirth, many women begin to feel reluctant to return to work, even desirous of quitting work altogether to stay home. Confides a mother from Franklin, Tennessee: "My husband and I both thought I would return to work after my year of maternity leave, but I never knew the feelings I would experience after I held [my baby] in my arms."

Explains Pam Svoboda, of McCook, Nebraska: "I had no doubt I would go back to work. Throughout all nine months of pregnancy I assured everyone that I was not a 'homebody,' that I'd be bored at home. Then she was born. I had no idea she would be so special." Writes a mother from Kingwood, Texas: "I believed all the magazines—I intended to go back to work after a three-month maternity leave. In reality, I found an overwhelming love for my child and child care options that made me cry."

If mothers like those quoted here could simply change their minds overnight to be home with their children, there might not be a child care crisis. However, many—perhaps most young women today—are totally unprepared financially, professionally, or even socially and emotionally to stay home with a baby. In fact, full-time mothering is currently so low in prestige, so economically difficult, and viewed as such a threat to professional advancement that even women who want to quit work find the obstacles insurmountable.

Writes a discouraged mother from New Paltz, New York: "I've been a career woman since I was seventeen. I just assumed that after the birth of my son I would return to work and life would go on as before. . . . I finally had the career position I had worked for all my life, a beautiful healthy child, nice home—and I was miserable. No one ever told me how I was going to feel about that little boy . . . After much soul-searching, I decided that what was important to me was not supporting a life-style, but living life, so my husband and I decided that we would sell our very expensive home in a very expensive neighborhood and move 'down.' My problem now is that I can't seem to make that final decision to leave work completely."

And so, many first-time mothers return to work, uncertain of their decision to do so, but assured by popular literature, media stereotypes, and well-meaning friends that they will "adjust" as soon as they locate "quality child care."

The Search for "Quality Care"

Thus it is with certain misgivings that many, if not most mothers begin the search for substitute child care. Although their individual stories vary widely, most are merely variations on a theme: Try as they might, these mothers cannot find a sitter or day-care center they feel comfortable with. Together their combined experiences create an incredible portrait of a generation of mothers who want day care to work; who try hard to ignore symptoms that it might not be going according to plan; yet who, after numerous trials with every available kind of care, discover that day care is not the way they really want to rear their children.

These mothers describe how, in the midst of the highest expectations, when they are least likely to look for something wrong with a child care situation, they feel the first vague stirrings that all is not well. They speak of observing small, everyday exchanges between their children and caregivers that bother them in a way they can neither explain nor forget; until inevitably, these stirrings evolve into questions, and the questions lead to investigations, which in turn initiate yet another series of disappointing child care arrangements. Then, for many of these mothers, come sleepless nights, as they reluctantly acknowledge that a child's feelings about himself and his place in the world are not molded in the few hours a mother has after work; rather a child is formed in the midst of the most common interactions during the course of a thoroughly ordinary day.[2]

After weeks, months, sometimes years of unsatisfactory child care experiences, many mothers do indeed become the media's familiar anguished mother desperately trying to locate a "better" sitter or a "more loving" day-care center. The critically important question, then, is: Why? Why is it that mothers who apparently have access to a multitude of child care providers cannot find one that satisfies them? And why, when they have been repeatedly warned that children in day care have an urgent need for consistency, do they jeopardize fulfillment of that need to try "one more" promising child care arrangement? Is their inability to find adequate care really an indication that there aren't enough clean, safe, and well-regulated day-care spaces to choose from? Or could it be that cleanliness and safety are not all these mothers are looking for?

We believe that most mothers who cannot find satisfactory child care are not suffering from a lack of "quality" options. In fact, many of them feel they have already experienced the best there can be. We believe these mothers go from sitter to sitter and center to center because they are continually looking for something that no substitute caregiver can ever provide: the same love and care each mother would give her own child in her own home.

What Children Need

Of course, not all mothers struggling with child care problems share identical feelings and situations. However, it is significant that so many women who feel compelled to speak out about the conflicts they feel are describing the same surprising conclusion: there is no adequate replacement in the life of a child for the intimate, full-time guidance of a loving parent.

This "discovery" is not what today's mothers were taught, nor what they expected when the first embarked on motherhood for themselves. They have learned it from their own experience:

Explains a mother from Wisconsin: "I was extremely confused by the negative behavior my daughter was exhibiting while being cared for by a relative, and it became more intense when I placed her in a day-care center at the age of three. Neither her pediatrician nor the day-care center agreed with me that my daughter's behaivor was caused by day care. Therefore, I was shocked and angered to realize exactly what my daughter was missing when I did quit my job. I honestly didn't realize my presence and interaction with my daughter were essential to her growth and development."

From Ann Arbor, Michigan, a former teacher with extensive training in child development writes: "When I first became a mother, I continued to work outside the home for several years, but found myself increasingly disturbed and dissatisfied with the care our children were getting, even in 'good' day-care centers. It was a sacrifice for me to quit my job, but my husband and I felt it was a greater sacrifice to put the kids in day care."

A full-time clerical worker and mother of two preschoolers from Tallahassee, Florida, says simply: "Sometimes I worry that I will not be able to reverse the damage done to my children when I am finally able to stay home."

With unusual conviction, mothers tell us that children need a full-time parent because only someone as devoted as a mother or father has the perspective needed and will put forth the effort required to nurture a child to his or her full potential.

From Milwaukee, Wisconsin, Mary Brauer comments: ". . . The most important thing we can do for mankind [is] raise the future generation with 'custom-made love' as only a child's own parents can give."

Diane E. Poliseno, a mother from Lake View, New York, tells us: "I became a teacher because I do love children. I wanted to be a part of influencing the future of our country . . . but my child (and future children) are even more important, and I wanted to be responsible for building their characters and shaping their personalities on a day-to-day, moment-by-moment basis—something that can only be done with me being at home during the day."

Writes Lora Rinker from Arlington, Virginia: "I feel that I am a very privileged and very fortunate person to be having this beautiful experience of really knowing my children, sharing and helping them with their plans and dreams, and just being there when needed. The events of each day may not seem so big and important, but when you add them all up, they are life itself."

Interestingly, those who work with children on a regular basis, especially those who provide substitute child care, express especially strong opinions about the importance of having one parent always available to a child:

From Honolulu, Hawaii, a 20-year-old, unmarried day care worker writes: "I am so concerned for children whose mothers work full-time. You see, I've been working in a nursery school and after school program for the past five years. Those kids need individual attention so badly, but they don't get it. Most kids want to go home to be with mommy right after school. They want to hug and kiss their moms . . . talk and show off for their parents. But all they get is me. I try my best, and I love those kids so; but I'm not mommy."

A teacher from California, and former nanny for a White House Aide, explains: "I was the best they could hire, and they were

[2] See Appendix B: "A Search for Child Care—One Mother's Story."

the ideal employers. They paid me as much as I could have made teaching, and I got along well with both the mother and the children. Still, after that experience I am certain that when I have my own children, I will not work outside the home. There is no one who is going to raise your kids like you would."

A mother of four from Canton, Ohio, comments: "When I worked at a day-care center shortly after graduating from college, it was more like babysitting than childrearing. I simply dealt with children from moment to moment, going around putting fires out. Although I considered myself a sympathetic and caring person. I really was more interested in my coffee break and visiting with friends than in the children at the center. I didn't have the feelings for those children that I have for my own. When I talk to my children, I consider their self-esteem. I try to enrich them in many ways to make them everything they can be. I'm concerned with the whole child and the end product because I have such a vested interest in what they'll become."

The realizations voiced by these mothers are perhaps best summed up by Arlene Cardozo in her most recent book, Sequencing. After interviewing hundreds of women who chose to leave substantial careers for full-time motherhood, she concludes: ". . . [A]s we come to value our children as our most important natural resource, we see the necessity for them to receive the best possible care. We are coming to recognize that care means much more than supervision and stimulation. It also means the day-in, day-out, consistent involvement of the child with someone who truly loves her and cares deeply for her future."

What Mothers Want

What, then, do mothers want? Recent studies and surveys are making it increasingly clear: Mothers want more time at home.

In the 1986 Gallup Poll for Newsweek mentioned earlier, 1,009 women were asked whether they thought "a mother who works full-time or part-time can adequately fulfill her responsibilities to her child." Only 50% of the respondents felt a full-time employed mother could do so, while an overwhelming 86% thought a mother working part-time hours could. Of those same respondents, 52% identified themselves as full-time employed mothers with regular hours. However, when asked whether they would prefer full-time regular hours, full-time flexible hours, part-time work, work from home, or unemployment, more women wanted to quit work completely (16%) than wanted to continue regular full-time employment (13%). The highest preference by far was part-time work (34%), with flexible hours emerging as the second choice (23%).

In *The Motherhood Report*, a book reporting the results of a 1985 study of 1,100 mothers, authors Louis Genevie, Ph.D., and Eva Margolus found that ". . . the majority [of working mothers], 55%, experienced moderate to very strong conflict about the fact that they had to leave their children every day to go to work. . . . [T]he only background characteristic that reduced a woman's feelings of conflict about going to work was money. The more money a woman earned, the less conflicted she was likely to feel. . . . Most women, however, do not earn professional salaries; nor is their work intrinsically interesting. And when these women compare their responsibilities at work to their responsibility to their children, it is little wonder that work comes in a distant second."

More recent surveys indicate that the number of mothers expressing a desire to be home with their children is increasing. In the October 20, 1987, issue of Family Circle, the results of a survey to which nearly 50,000 women responded were published. When asked to respond yes or no to the following statement: "If it were possible, I would quit my job to stay home with my children," 67.6% said yes. The July/August 1988 issue of Public Opinion reported that a survey conducted during the summer of 1987 by Mark Clements Research found that 88% of the mothers polled who worked either full- or part-time agree with this statement: "If I could afford it, I would rather be home with my children."

The exceptionally candid letters we receive from mothers across the nation confirm the results of such polls. Our letters indicate that most mothers today either do not need or do not want substitute child care. Firsthand experience with day care has shown mothers that it doesn't do the job; that no matter how "quality" it becomes, it will never do the job. Letter after letter, from mother after mother, expresses a single heartfelt longing:

From a mother in Pennsylvania: "I got a surge of hope and energy after reading about your group. I'm a working mother, albeit a very, very reluctant one. My daughter will be six months old tomorrow and not a day goes by without me grieving over losing these precious days with her. I have to work, but my husband and I are doing everything possible to get ourselves on our feet financially so I can work part-time by autumn."

From a mother in Haymarket, Virginia: "I am, unfortunately, a working mother who commutes 50 miles each way. It's hard to have a young child and leave for work at 5:45 a.m. I do feel very frustrated concerning my need to work. I would like to be a full-time mom, until school age anyway."

From a mother in Madison, Wisconsin: "Although I returned to work after a year's maternity leave—and only work half-time—I still am seriously considering being a full-time mother at home. But I need support! It seems that most literature today supports the woman who 'does it all.'"

From a mother in Grand Rapids, Michigan: "I am writing in response to a recent Phil Donahue show I saw on mothers who stay at home. The comment was made about hoping to provide an economical way for mothers who are forced to work to be able to stay home more with their children. I was very interested in this because I am in that situation."

From a mother in High Falls, New York: "I'm a single parent supporting two children and I've been working outside my home for years. I've always held the hope that I could be an at-home mom, but as time goes by and my children get older, the prospect seems more distant than ever. I just want you to know that I support your efforts to make full-time motherhood an real alternative."

What most mothers want today is the chance to rear their own children in their own homes without jeopardizing the opportunity for fair and equal participation in the labor force in the future. They want flexibility in the workplace so they can have time at home when their children most need them.

Accepting What Mothers Want and Children Need

Unfortunately, neither the media nor political leaders welcome the thought that helping mothers spend more time at home might be a significant step towards averting a looming child care crisis. To many, such a contention appears to contradict hard-earned liberation and enlightenment. Yet, the truth is that the mothers decrying day care today are the product of that enlightenment. If anything, it is their very awareness of their rights, especially in the workforce, that drives them to speak out about their desire to be with their children.

From Houston, Texas, a mother writes: "I am an attorney who became de-liberated by my daughter who is now fourteen months old. Gloria Steinem can no longer be my role model. As I was a pathbreaker ten years ago in the professional arena, I now find myself again a pathbreaker as a professional who chooses to shelve a career, temporarily, to commit myself to raising a family in the best manner possible."

A single mother from Illinois, reflects: "Although I grew up in the rural Midwest, in a home that preached and practiced equality, the choice to work at home was somehow less than equal—at least in my mind. Ironically, it has taken all of my feminism and activism to find the place where I can parent and be content with my decision—that place is home."

As a society, we have long equated women's progress in the workplace with the struggles of the working mother. In fact, there is fear that giving childrearing a place of importance in a woman's life will somehow forsake the gains in equality that have been made. Yet, women who feel forced to work when they would rather be home are every bit as unliberated as women who feel forced to stay home when they would rather work. It is critical that we move forward by acknowledging that helping mothers put their children first does not have to threaten the full and equal participation of all women in the labor force.

Accurately Assessing Child Care Needs

Before any "solutions" are rushed through Congress, it is imperative that the true needs of families be accurately assessed. To date, almost no systematic research has been done to determine what child care arrangements parents most prefer or how to make their top preference readily available. Rather, most studies simply assume that institutional day care (which can be easily regulated for safety and affordability) will become the favored option of the future, and their survey questions reflect that assumption.

The open and deeply moving expression of feelings we have received from parents across the nation reveals a need to ask questions few researchers seem to have considered: What do parents believe is best for their children? What do they feel their ideal child care arrangement would be? What would have to happen to make that arrangement possible? What kinds of child care options have parents tried in the past and how did they feel about each one? Are there arrangements that parents recognize as "good" for them, but harmful for their children? What requests have parents made of employers in hopes of preventing or reducing the need for substitute child care, and how were those requests received? Would changing a spouse's work situation (i.e. flexibility at work or the ability to work from home) make it possible for a number

of families to avoid child care altogether? Would parents prefer this flexibility over "good" substitute care?

There seems to be a significant difference between what the media say about mothers and what mothers say about themselves. Unfortunately, policy makers who depend on and trust the media to provide accurate information may be tempted to take the word of newspaper columnists and televison news anchors over the personal experiences of a mother in Kansas City or a factory worker in Baltimore. It is time to carefully and openly review the facts surrounding the child care crisis, and to demand an accurate assessment of the nation's child care needs, as expressed by the mothers and fathers of the nation's children.

MISCONCEPTION NO. 3—THE BELIEF THAT PROVIDING MORE "QUALITY CARE" IS OUR ONLY REALISTIC OPTION

Almost everyone agrees that full-time substitute care of any kind is not the optimal way to raise a child. Yet, the full-time care of a loving parent—once thought to be every child's birthright—is now being dismissed as a Utopian dream. Day care may indeed be a "second choice" way to raise children, assert the "experts," but we should nonetheless be prepared to face reality. Because women "must" work, day care is unavoidable—a necessity we must learn to live with, like root canals and taxes.

What experts do not take into account, however, is that where rearing their children is concerned, most mothers believe they should have more than second choice. Why, these mothers want to know, are we rigidly heading toward a clear second best solution to the current child care crisis in a country that has always pledged that its children desereve the best? Why arent't we investigating alternatives that could guarantee mothers a true choice of how their children will be raised?

There Are Many Creative Alternatives to More Day Care

We believe the child care crisis can be solved without spending billions of dollars annually and without encouraging the kind of child care that mothers do not want. Suggestions have poured into our organization from parents across the country—parents who know firsthand the sorrow of having to leave their children, parents who have thought deeply about what is best for their families, parents who are not afraid of innovation and creativity when it comes to solving a national problem of serious proportions.

We have divided these suggestions into six categories, each of which assumes that parents should have the right and the choice to spend as much time as they desire nurturing, guiding, and protecting their children. Mothers-At-Home presents as many of these ideas as possible, in hopes of stimulating discussion that could lead to other, perhaps even better ideas.

1. Encourage "Family-Friendly" Employment Practices

Legislators might be surprised at the number of women who say that a more flexible workplace would virtually eliminate their need for child care. If these women are right, perhaps the most cost-effective approach to the child care dilemma would be to reduce the need for substitute care by instituting certain helpful business practices. Government should not be afraid to initiate research and discussion on suggestions such as these:

A. Government could create a commission to encourage family-friendly employment practices in the private sector.—Writes a California mother of one child who works part-time as an administrative assistant: "[Government can help by] encouraging, not legislating, that private companies provide attractive child care arrangements to their employees, such as one year maternity leave, job sharing, reduced hours, flexible hours—basically being cooperative to work it out with the parents of children." A father of nine children from Bethesda, Maryland agrees. He feels that mandating family-oriented business policies might encourage discrimination against men and women in their child-bearing years; he suggests, therefore, that the government set up an institution similar to the Equal Employment Opportunity Commission to motivate, rather than force, employers to adopt better policies. For instance, qualified businesses could display a "Friend of the Family Employer" logo, to attract capable employees who value a family-friendly atmosphere at work. Companies might qualify for the FFE designation by instituting a minimum number of family-friendly practices from an approved list of benefits and work options.

Family-friendly employment policies might include:

1. Increased availability of part-time positions.—According to U.S. News and World Report (June 20, 1988), in a 1988 survey of the child care needs of Du Pont Corporation employees, 33% of fathers said they were interested in part-time work to accommodate children, compared to 18% who had been interested in part-time work in 1985. Meanwhile, 55% of the women surveyed were interested in part-time work both survey years.

From Vallejo, California, a mother of one preschooler writes: "My only complaint is that usually twice a year my boss pesters me a lot to work more hours. He doesn't see the value of having a happy, part-time worker compared to an unhappy full-time employee. [We need] availability of flexible part-time work at a reasonable wage (i.e. being well-compensated for expert work even though it is part-time)."

From Neola, Iowa, a mother of four comments: "I would sure like to have the opportunity to work a part-time job that would be flexible enough [for me] to be home with the children when they are at home."

From Washington, a former electrical engineer and mother of one says: "I am concerned that since my field is traditionally a man's, part-time work will be nearly impossible to find."

From Brookfield, Wisconsin, a mother of two who works part-time as a financial planner/CPA explains: "I am dissatisfied with the fact that there are not good part-time opportunities at my career level that provide job satisfaction and adequate compensation."

2. Flexible hours, especially full-time hours based on local school hours.—A 7 a.m.-3 p.m. shift for one parent in a home where the spouse works the traditional "nine to five" can keep children out of day care altogether. (One parent sees children off to school in the morning, the other is there for them in the afternoon.) This is only one example of flextime options, which are already increasing in popularity in both the private sector and in government.

3. Job-sharing opportunities.—We have heard from mothers who share jobs in everything from teaching aerobics to editing for a publishing firm. A mother from Maryland, who once worked as a "telephone emergency (911) dispatcher," told us she and another mother lobbied unsuccessfully for a job sharing situation. The employer threatened to fire them if they refused to work full-time, citing the expense and trouble he would incur in training a new dispatcher. The mothers were bullied into working full-time, but within the year both quit completely—leaving the employer with not one, but two dispatchers to hire and train.

The logistics of job sharing vary from one office to another. Employers are experimenting with every conceivable method of dividing hours and responsibilities. Some jobs are shared between mothers and retired persons or mothers and students. We have been told of one particularly novel form of job sharing: Mothers who can afford unpaid leave hand their jobs over to college students for the summer, then return to work after their children begin school again in the fall.

4. Better benefits for employees with reduced hours.—States a part-time librarian and mother of two from Fredericksburg, Virginia: "[We need] availability of part-time work with decent benefits! Often part-time jobs have minimal benefits and this is discriminatory." From Hudson, Wisconsin, a mother of three suggests: "Have companies provide one half of benefits for part-time workers instead of nothing for part-time and everything for full-time."

5. Allowing children to accompany parents "on the job," when reasonable.—Many parents find that they prefer to have their children with them while they work in small businesses, stores, medical practices, nursery schools, farms, and in various other work environments. Even more parents would like to explore this option. A postal carrier and single mother of a seven-year-old son, from the Washington, D.C. area, describes her ideal child care situation as "taking him with me on the last run of the day. But insurance regulations won't allow it." Recognizing that there may be reasonable limits to the presence of children in some workplaces, the potential for including children in their parents' work lives should be further explored.

6. Dependent Sick Leave.—An issue of great concern to all parents is the ability to take off work to care for a sick child or to care for preschool children when a stay-at-home spouse is sick. The Chamber of Commerce in St. Paul, Minnesota, has researched this issue extensively. Among the findings were strong indications that employee absenteeism and low productivity is directly related to employee concern about sick children. In one study, both improved dramatically when employers instituted policies such as dependent sick leave or vouchers to pay for child care at special "sick child" day-care centers. A part-time social worker and mother of two from Maryland suggests a "compensatory time" arrangement for salaried employees where overtime hours "can be counted later as regular work hours for things like staying home with sick children." (Such flexibility is also critical for employees who need to care for sick or elderly relatives.)

7. Parental leave plans.—Many employers are recognizing the benefits of good parental leave policies for both mothers and fathers of new babies. Ideally, parents who want to quit work temporarily to care for their children full-time would be able to choose a longer, "open-ended" parental leave. In such cases, companies would not be

expected to guarantee the same job back. Instead, they would retain "open" personnel files on these employees, and would perhaps even offer them minimal continuing education programs, occasional temporary assignments, or other flexible work options. Later, when these same parents apply for reentry, their prior experience would help them qualify for a job approximately equal to the one they left. A mother from Arlington, Virginia, explains "The stereotype of the 50's mother at home troubles me. I see myself as on an extended leave from the paid workforce. I fully expect that the education and skills I acquired before I had children as well as those I've gained as a mother at home will be valuable to a future employer."

B. Government should serve as a model family-friendly employer.—Writes a part-time attorney and mother of two from York, Pennsylvania: "The higher status occupations still require a 50-60 hour work week, thereby dooming mothers to trade their kids' needs for their career. There are few jobs inbetween and pay is always lousy in 'women's fields.' Flex-time and part-time jobs must be found in the professions of women—starting with the federal government."

C. Government could help employers establish family-friendly employment practices.—Increasing numbers of employers, both large and small, are already instituting various family-oriented benefits and policies. Government should support this workforce trend by helping employers learn from each other. Suggests a Wisconsin mother of two: "Offer incentives or educate industry as to the untapped potential in offering flexibility/part-time work (compensated fairly) to mothers of young children—to retain them over longer periods, i.e., when they return to work full-time." Such incentives could take the form of tax benefits for employers who establish certain prescribed practices, special awards or other recognition for model family-friendly employers, and priority grants to those exploring alternatives to day care. The government might educate employers about the benefits of family-friendly employment policies by distributing literature or by offering special courses and consulting services.

2. Make the Federal Tax Code Career-Neutral

Of all the suggestions received by our organization, tax relief is mentioned most often by far. Some specifics include:

A. Reduce the tax burden on families in general.—A mother of three from Butler, Pennsylvania, writes: "Parents should not be taxed to a degree that they cannot provide for children. The government should stop spending and lower taxes." Comments a mother of three from Lynchburg, Virginia: "Taxation takes more and more money from families, making it harder for them to choose how many children to have." Although federal tax rates have declined slightly as a result of recent changes in the tax code, social security payroll taxes have risen, and are scheduled to rise again, with the net result that many families with dependent children still feel burdened by taxes.

B. Increase the amount of the personal exemption.—When Congress first instituted an income tax, great care was taken not to overburden families with children. The work of nurturing and educating the next generation was considered vital, and the financial commitments it entailed were respected. Thus, taxes on young families were offset by the then-substantial personal exemption for each dependent. In fact, in 1948, a personal exemption of $600 represented 42% of the average personal, per capita income. Over the years, this reverence for the economic hardships of preserving the nation's future through its children completely disappeared, and the amount of the personal exemption did not keep pace with inflation and other tax demands. Between 1960 and 1984, the tax burden increased 43% for married couples with two children, and 223% for families with four children, while corporate taxes went down and taxes for singles and childless couples remained stable. While the 1986 tax reform is raising the value of the exemption to $2,000, this only partially offsets the erosion suffered since the 1940s. According to some researchers, to have the same value relative to income it held in 1948, today's personal exemption would have to be raised to $6,468.

Writes a mother from Rexburg, Idaho: "By increasing the dependent exemption this gives every family a financial boost. Then the mother can afford to choose to stay home and raise her own children or a family can afford to pay for day care of their choice. No center or type of care should receive government money. "Families" should receive the tax break."

A mother of three preschoolers in Jonesboro, Arkansas explains: "One option to consider would be to increase the dollar value for personal exemption of children by the child care tax credit amount. This money would be understood as [a] child care tax credit. Then the person(s) directly responsible for the child's care would have the responsibility to find and provide adequate care. It may be enough economic incentive for some persons, who have not been economically able, to remove themselves from the workforce to be an at-home parent."

C. Establish tax advantages for families where a parent stays home to care for his or her own children.—A mother of one in Sacramento, California, writes: "Through the tax system, government should reward families in which either mother or father stays home to raise their children." Another mother agrees: "Helping those parents who truly need day care is fine, but helping parents find a way to allow one parent to remain at home with his or her children is even better. Maybe there could be tax benefits to those mothers who stay at home full-time." An even stronger comment comes from a mother of three in Chatham, New York: "Instead of funneling tax dollars to day-care centers, provide good benefits for mothers who stay home (like better deductions). As a counselor, I work with too many women who return to work but don't want to."

D. Institute an additional tax credit or deduction for each preschool child, regardless of the parents' work status.—Such a policy woud give parents additional income which they could then apply toward the kind of child care they prefer—whether parental or some kind of substitute care. Asks a mother from Elgin, Texas, "What about an increased exemption for children from birth to seven years to at least encourage a parent to stay home during the 'formative' years?" Writes a mother of two preschoolers from Wisconsin: "Perhaps there could be a tax credit for every child I claim as a dependent. This tax credit could possibly diminish as children proceed through school."

E. Make the child care tax credit more equitable.—Opinions on how to do this vary. Some mothers feel the child care tax credit should apply only to families with below poverty-level incomes. Others believe it is discriminatory toward mothers who choose to care for their children at home (often at great financial sacrifice) and should therefore either be abolished completely or expanded to include one-income families where a parent stays home. A former registered nurse, now home with an infant in Wisconsin, expresses it this way: "If they allow tax credit for child care outside of the home, I think it only fair for mothers in the home to receive the same because they forfeit earning potential to stay home."

It has been brought to our attention that the median income (1986 statistics) for "traditional" two-parent, one-income families ($25,803) is nearly 50% less than the median income for two-earner families ($38,346). Are children's needs really well-served when two-earner families making more than $200,000 a year can claim an average child care tax credit of $528, while two-parent, one-income families making $25,000 receive nothing at all?

F. Institute a tax credit for those providing child care, rather than for those paying for it.—This interesting idea comes from a mother in Veradale, Washington: "The current incentive (Child Care Tax Credit) encourages people to send their children to day care. A better goal would be to encourage people to care for children. Society has given no monetary value for people to care for their own children and little (witness the low wages of child care workers) to care for the children of others. I would propose eliminating the Child Care Tax Credit and replacing it with a new Child Care Workers Tax Credit, which would apply to people who care for children full-time, whether paid or not. People who are part-time workers could be eligible for half the credit. I would suggest a decreasing incentive for increasing numbers of children."

A similar idea was described by an Iowa mother of five who is also a family day care provider: "Child care income could be nontaxable, since most child care providers make less than the minimum wage."

3. Strengthen Family Economic Security

As a nation, we need to investigate the economic forces that are combining to make it nearly impossible to raise a family on one income. Many women who write to us express fear that they will not be able to meet the financial challenges inherent in rearing a child from birth through a college education. Not only do we hear from mothers in the workforce who want desperately to come home (as quoted earlier); we hear from just as many mothers now at home who express genuine fear that they will be forced back into the labor force before they would choose it.

Writes a New York mother and day care provider: "I'm afraid that societal pressure and financial pressure may force me to return to work when my youngest is school age." A mother of three from Virginia agrees: "Sometimes I worry that I will be forced to work because government is more interested in my money than what is best for my family."

There are three areas, of the many that merit special attention and analysis, in which we have received comments:

A. Affordable housing must become more readily available to young families.—Writes one mother: "Financially we can manage pretty well, yet we may never have a single family home (the American dream). [We]

have made compromises in our dreams so that I can be with my children while they are young." Many parents indicate that paying a mortgage or even paying rent on an adequate home is their families' biggest financial worry, and the factor that may push many of them into the paid labor force before their families are ready.

B. Insurance packages should be created that recognize the needs of young families who prefer that one parent remain home with the children.—For example, a parent at home cannot buy disability insurance, because the job of caring for one's own children has no monetary value. A mother of two from the Washington, D.C. area complains, "I feel that my family is vulnerable because although I have purchased life insurance, my insurance agent tells me that I cannot get disability insurance since it is based on a percentage of one's earnings. Yet, if I were to become disabled, who would care for my children? We could not afford to pay someone else to do my job. The insurance agent has no answer for me."

C. Tax free savings plans (similar to IRAs) could be instituted to help young families save in advance for the expenses of rearing children.—Explains the Virginia mother of two who thought of the idea: "They would be able to draw on it after birth or adoption of a child, either to offset the cost of a lost income for parental care, or to apply towards alternative care, or to apply toward the purchase of a home."

4. Promote Community Services That Better Support the Family

Parents seeking advice or information within their communities are encountering many government, non-profit, or other services that still focus on "women's" issues that are nearly three decades old. It is time for communities to address the family issues of the eighties and nineties. Services that would be heartily welcomed include the following:

A. Better preparation of the younger generation for the reality of family responsibilities and better training in the skills needed to fulfill those responsibilities successfully.—Since most people do eventually become parents, educational curricula should acknowledge that fact and help prepare everyone for the possibility of parenthood. Students could receive a basic foundation in the principles of early childhood development and an understanding of some aspects of the job of parenting. This knowledge would be valuable whether or not an individual student later chooses to become a parent, for it would encourage a desperately needed appreciation of and respect for children and families. Furthermore, a thorough discussion of family financial planning and career development, including the personal impact of family responsibilities, could help young people to better plan their lives. Many mothers tell us that no one ever tried to explain to them the emotional impact of parenthood; therefore, they made financial and career commitments before bearing children without regard to what they and their children might truly need later.

B. Better resources for parents to help improve parenting skills and other skills related to family life.—The field of educational psychology, and especially early childhood development, has grown immensely in the past fifteen to twenty years. Valuable research information about the needs of infants and young children has been gained as the result of such projects as The Harvard-Lilly Pre-School Project, The Beethoven Project in Chicago, and the Missouri Parents as Teachers Program. Some of the most effective programs have concentrated on parent education, providing opportunities for parents to learn about children's social, psychological, and cognitive development. Such parent education programs, as well as other family-related information and resources, should be made more widely available through family centers, community centers, classes, workshops, pediatric offices, health clinics, and schools. Public service announcements, such as those that have targeted certain health and safety issues (smoking, heart disease, and seat belt use, etc.), have been seen as a worthwhile investment in educating the general public; similary, an information campaign which increased society's understanding about the developmental needs of children could prove enormously beneficial to us all.

C. Resources for women seeking advice on how to live on one income, how to make money from home, how to arrange flexible work hours, and other ways to care for their own children.—We hear from many mothers asking for advice on how to manage on one income and/or how to run a business from home. While there is an abundance of information available to parents about "how to choose good day care" there is very little information or support offered to parents trying to care for their own children on limited incomes. Community support services should address this need.

D. Businesses, shopping centers, government facilities, and other public places better equipped to handle children who accompany parents on outings or errands.—Although public places are gradually becoming more sensitive to parents with young children, many more accommodations could be made which would be a welcome sign of caring to all families. For example: infant changing facilities and toilets for young children that both mothers and fathers could use; lounges for nursing mothers; a small table and chairs with books, a chalkboard, or other simple diversions in the sterile places where parents struggle to wait with children (such as bank lobbies, clinic waiting rooms, government offices).

5. Establish Better Opportunities for Home-Based Work

Home-based business is on the upswing, and many mothers know why. The Washington Post, in a Business Section article entitled "New Domestic Workers Run Businesses From Home" (May 21, 1984, page 5) stated, "For many [home workers], the decision to start an in-home business was sparked by a desire to take child-raising out of the hands of day-care workers." Mail received by Mothers-At-Home not only supports this assessment, it indicates that many more mothers would work from home if they knew how to begin.

Writes a mother from Bryan, Ohio: "I work as a bank secretary, and am very grateful to have a job in such a good environment. I work out of economic necessity, however, and have always longed to be at home. Do you perhaps have a pamphlet suggesting ways a family can get along on one income and/or how I could stay at home and still earn money?"

Writes a mother from Gloucester, New Jersey: "I do not want to go back to work because I feel there is no one that could give my baby the love I can give him. Even though I want to raise my child at home, my husband and I cannot afford it unless I find work I can do in my own home. I am an electronic assembler and have seven years of experience. I heard some companies let you do work at home, but I do not know where to find the information."

Writes a women who has raised her family, but must now care for a disabled husband: "I would really like to quit work and be home with my husband as he really should not be left alone, but I have no other choice. If you could help me to be at home and still earn money, I would appreciate it very much."

Government could help parents earn money from home, and thus avoid the need for substitute child care, in several ways:

A. Repeal prohibitions and cut the red tape for home-based employment.—Outdated and arbitrary laws at the national, state, and local level currently prohibit various kinds of home-based employment. In addition, zoning laws in many neighborhoods exclude even simply at-home work that would not disrupt residential living. Perhaps a federal commission could be appointed to study the impact of tax procedures, zoning and commercial regulations, local licensing practices, and other laws that affect home businesses. Recommendations could be made to state, county, and local governments regarding outdated regulations or laws that discourage cottage industry.

B. Educate employers as to the many ways in which they can use home workers.—Encourage employers to create positions where work can be done mostly at home or to contract with independent home businesses to perform work or provide business services.

C. Encourage banks to help new home businesses.—With loans, advice, and other services.—Writes a single mother from Baltimore, Maryland: "I receive no child support, but I was determined to stay with my daughter. With the help of my father-in-law, I got a lease on a word processor, and for almost three years I have been working from my home and taking care of my daughter. But the business will not survive unless I can expand, and I can't get any credit or find an investor. I don't want to leave home."

D. Create job banks and other community resources for individuals interested in earning an income at home.—Job banks already exist in many communities which could easily expand to include information about home-based employment opportunities. Other local organizations could distribute information about how to maintain job skills or develop new ones while at home, how to start a home business, or how to find a company that employs home workers. These services would not only benefit parents seeking home employment opportunities but many other individuals as well, such as those whose physical handicap and financial situations limit their mobility and employment choices.

E. Encourage the formation of home business cooperatives or networks.—Home businesses could be given opportunities to join together to purchase supplies, hire consultants, use administrative and computer services, participate in group insurance and other benefit plans, share marketing and advertising expenses, and enjoy other advantages that are often too expensive for a single home businessperson.

6. Improve Homemaker Security and Opportunity

A major disincentive for mothers to care for their own children for any amount of time is the incredibly low value placed on their work in this society, both socially and financially. Everywhere they turn, it is clear that the time they spend rearing their chil-

dren is considered of no consequence. Writes a mother from Portland, Oregon: "Give more encouragement for at-home mothers publicly. I wish the at-home mothers would be the 'heroes' for a change."

An American mother now living in West Germany with her five-year-old son and one-year-old twin daughters writes: "We moved [from Washington, D.C.] to a village of 350 people, so the change was huge. So was the thinking on motherhood. Almost all the 'smart' women I know here are home with their kids and are supported for their choice—not just by society but also by the government. Some have an extended maternity leave of up to six years, at which time they can return to government jobs of equal seniority and pay as those they left. All mothers get paid 600 Deutsch marks per month for one year (soon to be two) after the birth of their child and a monthly child allowance until the kids are twenty-one. At first, I wondered why there were so few day-care centers, nannies, etc. here, but now I see that the mothers and fathers have worked for the right to stay home."

Ideas include:

A. Increase the amount of tax-deductible money a homemaker can contribute to an IRA.—Comments a mother of one from Illinois: "I am appalled that since I have no personal income I cannot contribute more than $250 to my IRA. Legislation should be drafted and passed immediately by Congress so that I can make a full $2000/IRA contribution each year. Does the government think my retirement will be any cheaper than my husband's? And statistically I may outlive him!!!" Other forms of homemaker pension plans should also be explored.

B. Offer government-backed, low interest loans and other support for homemakers seeking further education.—For example, establish a system of "credits" extended to parents for each year spent at home full-time with the children. These could be "cashed in" later for college tuition or other benefits. Writes a mother from Elkhart, Indiana, "Give education tax credits for mothers staying at home so we can learn new skills or develop the ones we have."

C. Encourage businesses to recognize skills that are developed outside of paid employment.—The maturity of a person who has had the daily responsibility of caring for children should be viewed as a "plus." Human resource and personnel administrators could show creative initiative by instituting a means of evaluating and crediting men and women for skills developed in managing a home as well as skills developed in volunteer service in the community. Such unpaid experience could then be recognized later by potential employers.

These suggestions represent only a partial list of those we have heard from parents across the country. We cannot be certain which measures will work and which will not; however, we believe that variations of a number of them in concert would significantly improve the chances of the most children possible receiving the care their parents most prefer. We offer these ideas as a springboard for further action, in hopes they will open new doors of possibility.

Ensuring Our Children the Best Possible Care

Mothers across the country are watching the national child care debate with growing alarm. They have seen it evolve from a rational and sensitive discussion of the plight of America's mothers into a frightening political battle between forces that have long since forgotten what is really at stake. They fear that in the end the "solutions" it yields may compromise what is good for them and what is best for their children.

Most mothers today do not believe that loving care can be created by legislative mandate, or bought with generous salaries and top-of-the-line play equipment. When they demand "quality care" for their children, they are not referring to adequate fire exits and adult-to-child ratio. They are referring to genuine love, to personal and immediate attention to individual need. They are referring to that care which teaches a child that he comes first to somebody—in short, the kind of care that has never been for sale.

These mothers do not make their child care decisions based on scientific studies or the findings of Congressional committees and Presidential commissions. In the final analysis, when a mother makes that hard choice, she consults the dictates of her conscience, the inclinations of her heart, and the commonsense evidence of her own two eyes.

For most mothers today, that evidence suggests that their children need them. So, while legislators consider child care programs which no one knows how to fund or staff or regulate—programs which even proponents cannot confidently predict will do an "adequate" job—millions of mothers are pioneering their own real-life solutions to the child care dilemma. These mothers, who have ignored conventional wisdom in order to pursue uniquely personal strategies and options tailored to the needs of their individual families, may well be providing the very leadership that will finally steer us toward a sound public policy on child care.

One thing is certain: the children of this nation deserve to be raised in the best way rather than in the most expedient way. Let us work together to ensure that all parents can freely choose the best possible care for their children.

APPENDIX A—WHAT YOU NEED TO KNOW ABOUT TODAY'S MOTHERS

1. Most mothers completely defy the media stereotypes.—Both women who choose to remain home full-time and women who are in the workforce cross every political, religious, and socioeconomic line. We have heard from single mothers on small incomes who manage to stay home, working moms married to high wage-earners who still feel they "must" work, self-described conservatives who have balanced job and motherhood for years, pro-ERA feminists who quit high-powered careers as soon as their first child was born. Many mothers now at home could easily walk into their choice of enviable jobs, while many mothers employed full-time would give anything to say home. Mothers simply cannot be categorized by their work/home choice.

2. All of these mothers feel tremendous pressure to return to the workplace.—No matter how a woman feels about her children or her career, she faces a powerful image of just who qualifies as a "smart woman" today. Our society clearly admires the woman who is in the workplace—doing something "important" for herself and the community. Thus all women face a variety of subtle pressures (as well as some amazingly overt ones) to combine career and motherhood. Writes an attorney who now works part-time: "I witnessed exactly how 'valueless' being an at-home mother is. . . . When I quit being a trial lawyer, the colleagues I left considered me crazy and proof that women couldn't really cut it. My status dropped instantly. Receptionists condescend to women in jeans with a baby in arms, men have trouble finding a topic to talk about besides babies, and my presence makes some women uncomfortable because it's a tough issue for all mothers." A professional psychologist from Madison, Wisconsin, found advising others did not help her face the same pressures: "It seems most literature today respects and supports the woman who 'does it all.' Even though I have a master's degree in counseling and have worked in the field for six years, I find it impossible to counsel myself and difficult to re-frame my self-concept to exclude work outside the home where so many people put the value." A mother from Salt Lake City, Utah, describes pressures on her husband as well: "The pressure to 'toss in the apron' can get heavy when all of your friends and relatives work and think you are nuts for staying home. [My husband] gets pressure at work to have me work—with statements like, 'How can you let her just sit around and live off you?"

In addition to social pressures, there are forceful economic ones as well. The high cost of housing is an important factor, as is society's consumer orientation, which encourages young couples to overextend financially. They become dependent on two incomes well before they think about bearing children; thus, when children come along, both parents "must" work. A mother of three teenagers from Wisconsin who works part-time explains: "My husband has been supportive most of the time except on occasion when most other wives worked and those families had so much more money and its advantages. Believe me, there is pressure on husbands to have 'productive' wives who help achieve a higher lifestyle!" A mother of two preschoolers from New York observes: "I think our culture has tricked us into believing we must drive new cars, own home computers, wear designer jeans, buy the latest toys (for our children and ourselves) and maintain a certain level of affluence in order to be considered successful. We send a message that being able to buy 'things' is more important than the time we spend with [our children]."

3. Many of today's mothers drift in and out of the workplace.—Because of intense pressure to remain in the workplace, mothers do not easily make the choice to stay home with their newborns—even when they want to. It is a rare mother today who hasn't gone in and out of the labor force; first going back to her full-time job, then dropping to part time, next quitting completely; perhaps trying a home business, then part-time work again, etc. The fact is, a mother feels a complete lack of support from society no matter what option she chooses. Many mothers spend years of trial and error before they find a job/home balance that is comfortable. Typical is a 35-year-old mother from New York, who writes: "I'm walking that thin line between working and staying home, having tried all the alternatives and still coming up with the desire and ache to be with my son."

4. This generation of mothers was reared with serious misconceptions about child-rearing.—A predominant theme in our letters is resentment that so much of what young women are led to believe about motherhood is simply not true. Today's mothers were raised with the belief that "liberation" meant the freedom to pursue fulfillment in the workplace. Children, they were told, could be turned over to child care givers trained to help children reach their full potential at each development stage. These

mothers have been shocked to discover that nurturing is a sophisticated one-on-one process, which not only requires a great deal of intelligence and skill, but also a lot of time. There is open concern about the false expectations still taught to young women today. Indeed, unless the situation is corrected, women will continue to make decisions in their pre-childbearing years that make it extremely difficult (financially and/or professionally) to choose to stay home when they do have children.

APPENDIX B—A SEARCH FOR CHILD CARE—ONE MOTHER'S STORY

(By Linda Burton)

I hadn't intended to stay at home. I wasn't born for it. Having my first child at the age of thirty-three created an upheaval in my life unlike anything I had experienced.

Before the birth of my first child, I had been a professional full-time fundraiser for a public-interest law firm. It was a harrowing job, sometimes, but it was fun and made good use of my energies. At the end of the day, I used to look forward to meeting my husband and friends somewhere in town. We would relax, catch up on the day's events, and generally enjoy each other.

After the birth of my first child, I found myself feeling less convivial at the end of the day than I had in years. Walking the floor with my child, knowing that he was keeping me from doing much that I really wanted to do, made me angry.

When my husband and I first discussed having children, we had no real idea how radically they would constrict our lifestyle. Like many other modern young couples, we had followed the dictates of Lamaze and LeBoyer. We had our baby by natural childbirth, spent hours "bonding" with our newborn, and never let him cry without picking him up. According to the new "parenting" books, we were teaching our son that his needs would be met, first thing in life.

But while my child didn't cry, I did. I missed my job and my friends; I felt poverty-stricken, and I looked awful. So, like many young women faced with the same predicament, I decided to go back to work.

Without too much trouble, I found a job writing for a public television station—and happily set out to enjoy life once again. I assumed that I would simply give my child good "quality" time in the evenings and on weekends and, in the meantime, I would use all my energies to find an absolutely sterling person to care for him during the day.

I researched child care with a vengeance. Luckily, I did find someone to care for my son who seemed fine. She lasted a month. During that brief return to the office, however, I made some remarkable discoveries.

I discovered that I had no "quality" time for my child in the evening; indeed, I felt like I had no time at all. I was tired. Although I loved my son, and knew that he needed attention from me, somehow I was unable to give much of it after a day at the office.

I also discovered, to my surprise, that I missed my child when I was gone. I worried about how he was being dressed, fed, cared for. I worried that his bright inquisitiveness was being dulled by the housekeeper who, while a kind and decent person, lacked a certain intellectual vitality.

I was almost relieved when my housekeeper quit. I came back home to attend to my son and, again, searched for child care. Diligently, and over what came to be a period of two years, I searched for child care everywhere, from the local town newspaper to the best nanny schools in London.

Yet everywhere I looked, it always seemed like a long waiting list of mothers had been there before me. We commiserated with each other. Trying to find the "right" kind of full-time child care, we discovered, was a lot like trying to handicap a horse race or beat the roulette wheel at Las Vegas. No matter how many setbacks we had, we kept on giving it one more try, holding out for what we knew was the intoxicating probability of an imminent lucky break. Whether the spoils of victory were unimaginable amounts of personal wealth or the babysitter popularized in legend who was kind, intelligent, put our children first, and never got sick, we fervently believed that there, but for a simple key to the right system, went us.

I remember the zeal with which a few mothers at work would guard their child-care sources, passing on names of favored sitters to a select friend or two, with all the covert machinations of a Mata Hari. But no matter how closely kept were the names of the "really good" sitters which some mothers managed to stumble on, there always came the inevitable day when they lost them. Maybe one of them moved, maybe the sitter just got tired and decided to give up sitting for a while. Or maybe the mother simply decided that the "really good" sitter wasn't so "really good" after all. Whatever the reason, we all learned to pick ourselves up and begin searching again.

When I was looking hard for child care, I spent literally hours on the telephone, every day, trying to scout out the best available care. Other more broken-in mothers shared their allegedly fool-proof "Lists of What to Ask Potential Housekeepers" who telephoned me in response to the many advertisements I placed. They suggested nefarious ways to tap into the market of illegal aliens (remarking that it would be nice to have someone who spoke English, but concluding that we couldn't have everything) and passed on whispered directions toward certain population groups who were rumored to "be wonderful with children."

Nannies and Housekeepers

At the beginning, I confined my search for child care to housekeepers and nannies. However, no matter how much I wanted my child to have personal, one-on-one care and attention, provided in his own home, I always semed to come up against one of the same three obstacles. First of all, nannies and housekeepers were very expensive, and their wages would have eaten up a major chunk of my salary. I soon learned that in conjunction with the other expenses of working outside the home—clothing, transportation, lunches, and the convenience foods which became almost essential for cooking—the expense of one-on-one care was something my husband and I could not reasonably handle.

Second, if the tedious progression of interviews which I conducted with the aspiring housekeepers who answered my ads was any indication of the sort of care givers available for hire in the nanny market, even the people able to afford full-time, one-on-one care were rarely getting what they bargained for. The truth of the matter was that an overwhelming percentage of the people who came to my door, ready and willing to care for my children, were clearly unqualified for the job.

Finally, I learned that nanny-housekeepers—no matter how good or how qualified—rarely stay around very long. A job, after all, is still a job, and even the most capable of nannies is not in the job for the longrun. For some reason, many of us nanny-seekers must have acquired vastly sentimentalized notions from old English history books or PBS television series that a typical nanny came to change the diapers and stayed on for the weddings. The truth was that few modern-day nannies stuck around long enough to see a baby move into toddlerhood. Even the most congenial and affluent of employers, who gave their nannies multiple gifts, lavish vacations, free cars, high wages, and desirable working conditions, frequently complained about the eternal search for "yet another" nanny.

The Child-Care Merry-Go-Round

This last problem, especially, seemed almost indigenous to every available kind of child care I located. Nannies seemed to come and go, as did family day-care providers, almost constantly; even the staffs of most day-care institutions, I learned, have a notoriously high turnover rate, while the outward, serene appearance of the facility itself remains constant.

Although I would find myself joking about the on-again, off-again nature of the child-care merry-go-round, I soon realized I was becoming uneasy about what this process was doing to my by-this-time two children. I knew there were people murmuring about how good all this upheaval must be for the children; I read about one women who laughed that her daughter was "being raised by a committee." But she told herself that her daughter was getting to know a lot of people and was learning how to make rapid social adjustments.

Yet there was something else that I could see my own children learning, along with rapid social adjustment, which frightened me, no matter how lightly I dismissed its implications. I could see that it was unsettling and traumatic for them, once they had anchored their love, confidence and trust in someone, to experience abandonment by them; and I feared that they were learning, in their own self-interest, not to invest too many of their feelings in other people, or to be willing to commit themselves to future long-term emotional relationships.

I wanted my children to learn that the people who cared for them would not leave them. While I knew my husband and I would not leave them, the fact remained that we were away at an office all day. We were not our children's primary care givers, no matter how much we liked to think of ourselves that way, and we could not in truth be relied upon to respond to their needs for the great majority of their waking hours. I was beginning to see that I wanted my children to have a reliable, consistent, loving person upon whom they could depend for guidance, who was available to them during much of their day—and that the status quo of musical babysitters wasn't going to give it to them.

Family Day Care

When the problems with hiring a nanny-housekeeper appeared insurmountable, I decided to go ahead and give family-centered day care a try. Initially, this home-based care seemed like an attractive option to me because I assumed that my children would be in a cozy, homey atmosphere during the day, placed with a relatively small group of children, who could be nice playmates for them. And family day care had the added happy bonus of being much more affordable than one-on-one care. Yet my high hopes

rose—and predictably fell again—with each successive experience in home-based care.

It seemed that one of the biggest and most consistent problems I encountered with family care was rampant overcrowding. Although I noticed that local governments were frequently trying to regulate the numbers of children allowed in any one day-care home at the same time, I could also see that those regulations were increasingly caving in to public pressure for "more child care." And the regulations were very difficult to enforce. Time and again, I left my children in the care of a sitter who assure me she cared for "very few" children, only to return on an impromptu visit to find staggering numbers of "drop-ins" had joined the "very few."

Another problem I found with family day-care homes was that the care givers generally were women who wanted very much to stay home with their own children but who took in extra children to help supplement the family income. I found that it was next to impossible, in a situation like that, to expect the sitter to put the needs of my children first. Naturally, even the kindest and best-intentioned person in the world would respond to her own children more quickly and more sensitively than to the children of a relative stranger. And I would frequently see my children, no matter how subtly, come to perceive themselves in an inferior, less-favored position than "Johnny and Rachel" or "Mary Beth."

Third, on visits to family day-care homes, I was surprised at the number of times I observed a sitter relating to my children differently from the way I would have done—from how she responded to a request for an apple to where she put them down for a nap to attempt to deal with (or ignore) conflicts and questions. Too frequently, I found myself observing a sitter and uneasily reflecting, "I wouldn't do it that way!" This is not to say, please understand, that I always believed my way was the "right" way; not at all. But I was surprised at the large number of clear opinions I appeared to have about some of the smallest things that were a part of my children's everyday lives.

I came to see that the raising of a child did not represent simple custodial upkeep. Rather, my children were learning lessons, making choices, and being guided by the repetition of small human interchanges. The largest decisions about the direction of their future, I was learning, were made in the course of these apparently inconsequential daily interchanges. Here, they would most indelibly implant information about their perceived place in the world, their relation to other people, and the value they placed in themselves, in their own potential, and their own goodness.

Last, I discovered that family day care by its very "cozy" nature is invisible and anonymous—and therefore subject to astonishing abuse. When I was at the office, I did not in fact ever really KNOW what went on with my children during the day. Oh, I could draw certain inferences, based on the way my children behaved when I picked them up at day's end, but my inferences were incorect on enough occasions to warrant my pulling the children out of family day care altogether. While at first I had naively relieved on my children for correct information about their experiences during the day, I soon began to understand the significance of the fact that my youngest, like many children left in family day care, couldn't talk at all; and I suspected his older brother might be easily intimidated or bullied into not talking. Given an unhappy day-care situation, I could see how my children might well have assumed—since they had no reference point—that their unhappiness was a simple part of their existence.

Also, I am embarrased to say, that there were far too many days when I just did not want to HEAR about what my children did during the day, how they were treated, and so on. I would leave work harassed, tired, frustrated, and eager to put dinner on the table, and I did not want additional "problems" from my children. It became easy to overlook an unpleasant or unacceptable day-care situation simply because it became one burden too many to handle.

In actual practice, I never found an accurate way to evaluate the merit of a day-care situation. Despite my most painstaking investigations, many environments that appeared loving and constructive on initial (and sometimes repeated) examination turned out later to be something quite different.

In one instance, I found the "absolutely marvelous" family day-care provider, recommended by trusted friends, sleeping on her sofa while eleven children (she had informed me that she only cared for five children) wandered aimlessly around in front of the blaring TV. Another time, on an unannounced visit, I found that the "highly recommended" licensed day-care provider confined seven preschoolers to her tiny dining room. I found them huddled together, leaning over a barricade to watch a TV program showing in the adjacent room.

Such disappointing—sometimes horrifying—child care stories clearly differed from mother to mother, but the general theme, I learned, remained the same. It seemed that no matter how many checklists I consulted, visits I made, or references I checked, my conclusion never varied. There was no one to whom I could pay enough money to love my child.

Institutional Day Care

At one point, in spite of a prejudice against it, I even investigated institutional day care for my children. I talked to a number of mothers who regularly used day care, and I read the literature of many of the new day-care chains located near my home. I was offended by much of the public relations language in the day-care brochures which came my way—language which attempted to sooth my anxieties and dispel my guilt at the notion of leaving my children in institutional care—but language which also denied the instincts of my heart and my down-home common sense. Many of the brochures even seemed to claim that they could do a better, more "educated" and professional job of raising my children than I could.

So when I checked out the possibilities of institutional care for my own children, I was dismayed at what I found: The people staffing many child-care institutions certainly weren't the superior, kind and loving, multiply-degreed maternal paragons which the day-care brochures had touted. Many of the people I saw on the staffs of our child-care institutions, on the contrary, were underpaid, under-educated, and under-interested.

This is not to say, of course, that I did not find some superb, dedicated day-care directors. During my search for child care, I spoke with some of them at great length. In fact, it was they who urged me not to come to them at all. Surprisingly, two of the six day-care directors with whom I spoke pleaded with me to "Please only use us as a very last resort. Please do everything you can to try and stay home with your children." In fact, I became somewhat irritated as they tried, with great feeling, both to convince me that they were not the best thing for my children and to help me come up with ways to work from home so I could be with my children. At the end of one phone conservation with a day-care director, I was rather taken aback to hear her finally sigh, "If you really must have some other kind of care for your children, I suppose we're the best; but your care would be the best of all."

I disagreed. I still believed that there was a babysitter out there with my name on her and all I had to do was beat the right bush—find the right system—that would bring her out of hiding. In time, however, my exhaustive and intense search for child care taught me this critical lesson: No matter how many licenses we issue or inspections we require, no matter how rigid the guidelines we establish or how much money we pay, we must one day face the fact that it is impossible to have quality controls over the capacity of one human being to love and care for another.

All of a sudden, the notion occurred to me that perhaps the elusive, almost mystical "she" was not out there. After all, here we were, millions of women trying to hire someone warm, wonderful, motherly, and loving. All of a sudden, common sense told that there simply weren't enough warm, wonderful, motherly, and loving people to go around. And even if they *were* out there, it was clear that they didn't want to give priority attention to *my* children. They wanted to take care of their own children.

While I—and most of my friends—were saying our minds were "too good" to stay at home and raise our children, none of us ever asked the question, "Then what sort of minds *should* be raising our children—minds that were *not* very good?"

My carefully worded advertisements for child care literally came back to haunt me. I was looking for someone "loving, tender, reliable, responsible, nurturing, intelligent, and resourceful." I had wanted someone with a driver's license, good English, a sense of fun, and an alert, lively manner. I wanted someone who would encourage my children's creativity, take them on interesting outings, answer all their little questions, and rock them to sleep. I wanted someone who would be a "part of the family."

Slowly, painfully, after really thinking about what I wanted for my children and rewriting advertisment after advertisement, I came to the stunning realization that the person I was looking for was right under my nose. I had been desperately trying to hire me.

(Used by permission. Acropolis Books, Ltd., "*What's A Smart Woman Like You Doing At Home?*) by Linda Burton, Janet Dittmar, and Cheri Loveless; 1986.)

Mr. COATS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator has noted the absence of a quorum. 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.

FINANCIAL INSTITUTIONS REFORM, RECOVERY AND ENFORCEMENT ACT

Mr. MITCHELL. Mr. President, having consulted with the Republican leader, I now ask the Chair to lay before the Senate the House savings and loan bill, H.R. 1278.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A 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 PRESIDING OFFICER. Under the previous order, all after the enacting clause is stricken and the text of S. 774, as amended, is substituted.

The bill was ordered to a third reading, was read a third time, and passed.

The PRESIDING OFFICER. The Chair appoints the following conferees: Senators RIEGLE, CRANSTON, SARBANES, GARN, and HEINZ of the Committee on Banking, Housing, and Urban Affairs are appointed conferees to reconcile all provisions of H.R. 1278 and of the Senate amendment to H.R. 1278, except those in sections 1401 and 1402 of H.R. 1278.

Senators BENTSEN, MATSUNAGA, and PACKWOOD of the Finance Committee are appointed as additional conferees solely for the consideration of reconciling:

First, sections 1401 and 1402 of H.R. 1278, and the specific disagreeing provisions of sections 501 and 502 of the Senate amendment to H.R. 1278 relating to the tax-exempt status of the Resolution Trust Corporation and the Resolution Funding Corporation (new paragraphs 21A(k) and 21B(f)(7) of the Federal Home Loan Bank Act), and

Second, sections 1403 and 1404 of H.R. 1278.

Mr. GARN. Mr. President, if the leader will yield for comment at this point, we have no objection, and as the ranking Republican on the Banking Committee I have agreed to these conferees. I would comment, however, that it has been somewhat difficult to arrive at this point during the day. Senator RIEGLE and I have talked at great length, because of the small number of conferees, only three Demcrats and two Republicans, and then the possible addition of three Finance Committee members, who have not had jurisdiction over the bill.

I am happy to report that that difficulty was resolved by the way the agreement is written, and that the three conferees will be on the conference committee, but solely for the purpose of the sections that are enumerated, which are tax sections added by the House of Representatives, and we are not part of and were not part of the Senate bill, as we passed it. So I think this is a good resolution to the problem, and they will not in effect be conferees on the Senate bill but on those tax provisions added by the House, which certainly are under the jurisdiction of the Senate Finance Committee.

I thank the leader and the Chair for that intervention.

MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that there be a period for morning business with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered

AMERICAN TASK FORCE FOR LEBANON POLICY

Mr. DOLE. Mr. President, last month both the distinguished majority leader and I spoke to a meeting of the American Task Force for Lebanon here on Capitol Hill. Our statements to that group have already been put in the RECORD.

One concrete result of the task force meeting was the drafting of a paper, with prescriptions for American policy in Lebanon. While noting that there are a couple of points that I might have stated differently—overall the paper is an outstanding piece of work, and provides very thoughtful and constructive guidelines for American policy.

The task force has given me permission to have their policy statement printed in the RECORD, and I ask unanimous consent to do so.

I urge all Senators and appropriate staff to read this document carefully, as part of what I hope will be an ongoing, high priority consideration of the issue of Lebanon here in the Senate.

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

A PLAN FOR ACHIEVING A LASTING CEASE-FIRE AND PEACE IN LEBANON

(Prepared by the American Task Force for Lebanon)

The apparent American indifference to the destruction and suffering presently being endured by the Lebanese people is a profound mystery to many observers who care deeply, both about the fate of the Lebanese and the application of American moral values. As Flora Lewis put it in her syndicated column entitled "Dead Silence on Lebanon, ". . . the Lebanese deserve attention because international indignation is probably the only way to bring a pause in the massacre and kindle some kind of hope for the future." American officials refute the charge that the United States has been indifferent, citing numerous communiques and statements calling for the end of hostilities and withdrawal of all foreign forces. What, then, should the United States do to help?

In the first instance, the question that needs to be addressed is: should the United States become involved at all? Peace in Lebanon means the end to the unsettling drama that is unfolding and which risks embroiling Lebanon's neighbors in a wider and more dangerous conflict. Peace in Lebanon cannot wait for a comprehensive peace in the Middle East. Peace in Lebanon means an end to the use of Lebanon's territory for acts of terrorism, hostage taking, and the exportation of illegal drugs. Peace in Lebanon means the disengagement of the two principal Middle East players, Israel and Syria.

In addition to the compelling diplomatic reasons to save Lebanon, the enormous human suffering cries out for the humanitarian assistance for which Americans have always been known. The United States sets the standard for "super power" behavior and nowhere is that power better used than in helping relieve the suffering of innocent people. That is why the Lebanese cry out for help from the United States, and our national sense of right and decency demands that we respond.

Mild statements of concern and support, delivered to low ranking functionaries will command the respect they deserve . . . very little. The United States must display a strong position transmitted from the highest level of our government to the highest levels of Syria, Israel and other involved and interested parties. The message these leaders have received to date is "low priority" and, to them, this means that they can do as they will with impunity. The first step to stopping the death, violence and wanton destruction in Lebanon is for the world to understand that the United States cares—really cares—about saving Lebanon and the Lebanese people. Our American voice will be heard only when we choose to raise it.

In this document, we present a plan devised by a select committee of members of The American Task Force for Lebanon representing all faiths. The plan is designed to be specific, realistic, and sensitive to the needs of all the Lebanese people regardless of their faith or political affiliations. We are confident that this plan can be supported enthusiastically by the great majority of the more than two and a half million Americans of Lebanese origin.

The purpose of the plan is to achieve an effective cease-fire—observed by all sides and their agents throughout Lebanon—and to set in motion a series of steps to solve the present crisis and to move Lebanon toward national dialogue and reconciliation taking into account the interests of all sides. The goal is an independent, sovereign, democratic Lebanon, free of the presence of all foreign forces.

Summary:

I. The United States must show leadership and a great resolve in bringing the issue of Lebanon to the forefront as a first vital step toward a comprehensive Middle East peace.

II. The United States must find an effective way to influence all those involved in the crisis in Lebanon.

III. In cooperation with the U.S.S.R., France and other interested powers the United States should seek to stimulate the committee for Lebanon formed by the Arab League to move energetically and effectively to deal with the crisis. In addition the United States should be prepared to take the issue to the Security Council of the United Nations for international action.

I. UNITED STATES LEADERSHIP ROLE

The proliferation of statements calling for a "cease-fire and withdrawal of all foreign forces" which has come from the United

States and others, will be ineffective unless followed by positive actions. The United States, particularly, having properly abandoned the military option, has only one alternative if these pleas are ignored, as they most certainly will be . . . economic and diplomatic pressures and sanctions that will make its position unambiguous and effective.

The participants in the Lebanese problem, both foreign and domestic, must be convinced of the United States' resolve, at the highest levels, to aid Lebanon.

Above all, the United States must show a leadership role, since our benign neglect of Lebanon belies our super power status and demeans our reputation for humanity and sympathy for the suffering.

II. A JOINT EFFORT

In view of the recent joint statement on Lebanon by the United States and the U.S.S.R., it is an opportune time for the United States to move forward on Lebanon in concert with the U.S.S.R., the United Nations, the Arab League, France, and others to set a plan in motion to successfully resolve the "Lebanon piece" of the Mideast problem.

This joint effort should include: Support for the Arab League initiative. Consultation with Lebanese, Syrian, Israeli and other regional leaders who are involved or interested in resolving the crisis in Lebanon. Setting the groundwork for taking the issue to the United Nations Security Council to seek a binding resolution.

Success in this endeavor by the United States, the U.S.S.R. and others would set the tone for solution to other problems in the Middle East and serve as a precedent for global cooperation. They each would gain individual and joint respect and influence in the region.

III. SPECIFIC PROPOSALS

Bring about an effective cease-fire supported by a peace-keeping force in greater Beirut. Convening a meeting of representative Lebanese leaders to arrange for the reestablishment of Lebanese authority throughout Lebanon. This could include reconvening Parliament and establishing an interim government charged with developing a plan for reconciliation and reform. This effort must not be encumbered again with the historical divisions based on religious and family interests. If such a plan can be agreed upon it will become possible for Lebanon to arrange for its own internal security, disarm all militias, secure the withdrawal of all external forces and be governed by the desires of its own people.

SELECT COMMITTEE,
The American Task Force for Lebanon.

Committee Members: Joseph T. Abdo, William Bazzy, Michael Berry, Esq., Mounzer Chaarani, Joseph J. Jacobs, Ph.D., Casey Kasem, Elias T. Saadi, M.D., Peter J. Tanous.

Chairman: The Honorable Philip C. Habib.

MICHAEL CHANG: MOVING UP FAST

Mr. CRANSTON. Mr. President, Californians are, I believe, justifiably proud of their State and all it has to offer. Any Californian will tell you, for example, that the Golden State is without exception the most beautiful State, and that it is populated with the most beautiful, most intelligent, most talented people.

This being the case, even Californians unfamiliar with the names of today's major tennis players were not surprised to hear that a Californian became the first American to win the men's singles event at the French Open in 34 years. Some people probably were, however, a little startled to hear that the victor, Michael Chang, was only 17 years old.

A resident of Placentia, CA—home as well to Janet Evans, winner of three gold medals in swimming at the Olympics in Seoul last year—Michael Chang beat the top-ranked tennis player in the world, Ivan Lendl, in a display of grit and determination seldom seen in one so young. Although hampered physically by severe cramps, Michael succeeded mentally by dint of his perseverance and commitment to excellence.

Today, Mr. President, just about all Californians—most Americans and probably most of the French as well—know Michael Chang's name. Californians are proud of their neighbor and wish him the very best luck in the upcoming Wimbledon tournament. He's a fine addition to the long tradition of Californians who take the world by storm.

DRUG ADDICTION IS A DISEASE OF THE BRAIN

Mr. MOYNIHAN. Mr. President, on December 31, 1985 a short article appeared in the Atlanta Journal in which a public health officer told us something that we needed to know. The United States was about to be struck by an epidemic as fierce as a tropical hurricane.

The physician in question was David Allen, a Bahamian epidemiologist and chairman of the Bahamian National Drug Council. The epidemic was crack. It was already devastating the Bahamas. It would soon, he warned, reach the United States. In point of fact, the New York City Police Department first began to notice this mutant of cocaine in August 1985. It began recording crack arrests in January 1986 weeks after Dr. Allen's warning.

We would have done well to heed his warnings. To wit:

> What we have [in the Bahamas] is the world's first free-basing epidemic, which could be preceding an epidemic in the industrialized states. Anywhere there is readily available high-quality cocaine, there is this potential.

But we did not. We ignored the warning because we did not understand it. We did not think we were dealing with a public health problem. We thought we were dealing simply with a problem of law enforcement. We were wrong.

For some months now, Mr. President, I have shared with other Senators a feeling ranging between disappointment and frustration that there seems to be so little interest in what was new in the Anti-Drug Abuse Act of 1988. One of the problems is that the bill passed at about 2 a.m. on the morning of the 22d of October. The 100th Congress adjourned sine die at about 3 a.m. In that last minute rush a lot gets lost.

I believe our drug bill got lost.

That is to say the bill that actually passed. The bill that was drawn up in the summer of 1988.

As you know, the legislation on the Senate side was the product of the Substance Abuse Working Group, appointed, respectively, by the majority leader and the Republican leader. It may be useful at this point to record the membership.

SENATE SUBSTANCE ABUSE WORKING GROUP

Democratic Senators: SAM NUNN, co-Chair; DANIEL P. MOYNIHAN, co-Chair; ROBERT BYRD, DENNIS DECONCINI, ALAN CRANSTON, JOHN GLENN, EDWARD KENNEDY, CLAIBORNE PELL, BOB GRAHAM, JOHN KERRY, FRANK LAUTENBERG, JAMES SASSER, DALE BUMPERS, ERNEST HOLLINGS, JOE BIDEN, and LAWTON CHILES.

Republican Senators: WARREN RUDMAN, co-Chair; PHIL GRAMM, co-CHAIR; PETE DOMENICI, co-Chair; ALFONSE D'AMATO, co-Chair; PETE WILSON, co-Chair; JOHN CHAFEE, ROBERT DOLE, ORRIN HATCH, ARLEN SPECTER, STROM THURMOND, and JOHN DANFORTH.

I believe it is not wrong to state that the bill the working group finally put together was in large measure a response to legislation that had earlier passed the House. The term "response" may not be sufficiently blunt. Ours was in fact a reaction. We felt the House measure was almost exclusively directed to issues of crime and punishment. We had no quarrel on the Senate side with the proposition that drugs present a problem of law enforcement. It is simply that we had listened to the police; listened to the Federal agents; perhaps most interestingly, listened to the economists. Their judgment was nigh universal. Law enforcement can only affect the current drug epidemic at the margin. Our Attorney General, Richard Thornburgh, has, happily, come to the same conclusion. "If you want to lose the war on drugs," he told a hearing of the Senate Caucus on International Drug Control this past Monday, "leave it to law enforcement.

I use the term "epidemic;" we used that term. You might suppose we were using it as an analogy. That would be wrong. For my part at least the term was used in its precise medical connotation. That is to say, a communicable disease affecting many persons in an area or region. Our specific reference was to the substance called crack, a

form of cocaine which appeared in the Bahamas in 1983, reached New York City and the west coast by 1985 and has spread widely since then.

Our understanding was that this particular debilitating condition—drug addiction—is a disease of the brain induced by the ingestion of particular substances. Thus, treatment drugs, in the words of Dr. Marvin Snyder of the National Institute on Drug Abuse, "ultimately seek to restore the balance and equilibrium of normal brain activity." In this way, for example, malarial parasites infect the body—the most deadly form infects the brain—through injection into the blood by an infected anophelese mosquito, or through infusion of blood from an infected donor, or, finally, as the Merck manual tells us, "by use of common syringe by drug addicts."

Drug use is passed from person to person, child to child, through social interaction. So are most communicable diseases. But the behavior associated with drug use is more difficult to control, and less responsive to education, because it is addictive.

Drug addiction is not only passed from person to person. It is passed from generation to generation. This can be environmental; it can be genetic; it can be biological, as in the case of babies born to addicted mothers. We cannot say how much these factors affect behavior, but we do know that behavioral patterns are associated with addiction. According to Dr. Fred Goodwin, the head of the Alcohol, Drug Abuse, and Mental Health Administration, a diagnosis of clinical depression or anxiety in older adolescents doubles the likelihood of a subsequent substance abuse problem.

Where the heroin epidemic of the 1960's gave us the one-parent family, the crack epidemic of the 1980's will give us the no parent child; 51 percent of young addicts admitted to treatment in New York are female. Dr. Sheldon Landesman estimates that 15 percent of women giving birth at one municipal hospital in Brooklyn, NY, used crack during pregnancy.

And we would do well to note what the mothers and fathers of these children do to get the money they use to buy crack. They resort to ancient and ugly techniques. It can be said that for the most part the men steal. Thus, the men go to jail. At any given moment one in nine black men in Washington between the ages of 18 and 35 is in jail or prison. And the women contract AIDS through sexual commerce or promiscuity. Dr. Landesman estimates there are 35,000 infected women in New York City, each with, on average, two uninfected children. These 70,000 children will lose their mothers. These 70,000 children will be left to what? To whom? To orphanages and to insane asylums, institutions thought to have been abandoned in the 19th century.

Clearly, we have to find a cost-effective treatment. Clearly, this effort needs to follow an epidemiological mode, addressing the environment as well as the individual. Law enforcement, for example, effects the environment, much as draining away stagnant water affects the presence of anophelese mosquitoes. But the sick person must also be treated if the epidemic is not to continue.

Thus, section 2012 of the drug bill, entitled "Purposes," calls for treatment upon request. To wit:

> It is the purpose of this subtitle * * * to increase to the greatest extent possible, the availability and quality of treatment services so that treatment on request may be provided to all individuals desiring to rid themselves of their substance abuse problem.

May I emphasize that those of us working on the Anti-Drug Abuse Act of 1988 knew full well that there was then no cost-effective treatment for the cocaine disease, a disease that becomes incredibly acute in its crack form. We assumed we were just at the beginning of an effort to develop such a treatment; we knew well enough the long and difficult task involved in the development of methadone, a form of treatment for heroin abuse. We knew well enough that most of what we call drugs begin as medicines. I suppose that is why they are called drugs. In consequence, the medical profession seems to have trouble getting involved with the problem of the abuse of their own treatments, as you might say. The current Merck Manual, for example, that singular aid to professional and layman alike, more or less explicitly states that cocaine is not addictive, and does not even mention crack cocaine (15th edition, 1987). We were also aware that it costs a lot to develop a new drug and bring it to the market: hence not much interest in the pharmaceutical industry. Thus, one of the few cocaine treatment agents that has emerged is carbamazepine, an existing anticonvulsant drug used in persons suffering from convulsive seizures.

Indeed, of the tens of thousands of pharmaceutical drugs now available for sale in American pharmacies, exactly two—methadone and naxeltrone—are widely available to help treat drug addiction. Is it any wonder then, that the epidemic surges?

The National Institute on Drug Abuse knows this. I rise today to remind the Senate, and just possibly to engage the interest of assorted commentators, that we also knew it when we crafted our legislation with its emphasis on at minimum a parity between outlays on supply and demand.

I read the editorials that followed our bill. In the main, they stated that nothing much had happened. After having taken up much of the century with a law enforcement approach to drug abuse, Congress finally—with precious little help from the executive branch, if I may add—finally turned to the issue of treatment. This fact has been nearly ignored in the press. As a result it is now being slighted in budgeting and funding.

A problem here is that there is no record of what we did. This is to say that the Anti-Drug Abuse Act of 1988 was drafted wholly by informal groups appointed by the respective Democratic and Republican leaders. There were no hearings—there was no committee of jurisdiction, although we can take great relief at Senator BIDEN's determination that Judiciary will now take on this task. There was relatively little debate. This no doubt accounts for much of the understanding in the press. In the hopes of establishing a record of some sorts, Mr. Tom Malinowski of my office has undertaken a prodigious labor of accumulating six volumes of the often fragile and fugitive records of our deliberations. But I would say to those who care about this subject that they do this cause precious little good by acting as if the Congress did nothing new in its 100th session. In fact we thought we were moving the subject in hugely important new directions. If no one else thinks, so, the effort will have been wasted. And not likely to be repeated.

In closing, may I return to the Attorney General's remarks of this past Monday.

> If you want to lose the war on drugs, leave it to law enforcement.

We are in complete agreement. The Attorney General is not calling for less law enforcement. Less attention to the supply side of the question. He is calling for more attention to the demand side. We, for our part, do not dismiss drug addiction with sociological sophistications. The victims have only themselves to blame. But they are victims even so. The same may be said of the great plagues of venereal disease. In the end they needed both changes in behavior and treatment. That is our position with respect to drug addiction.

Mr. President, I ask that the Atlanta Journal article on the Bahamian crack epidemic, a recent National Institute on Drug Abuse publication summarizing recent research in this field, and an abstract summarizing a study on the use of carbamazepine in cocaine treatment be printed in the RECORD at this time.

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

[From the Atlanta Journal, Dec. 31, 1985]

BAHAMAS "FREE-BASING EPIDEMIC" CITED

NASSAU, BAHAMAS.—A highly addictive practice of smoking cocaine "rocks" has swept this chain of islands off the coast of Florida, a side effect of the South American-based drug trade that uses the islands

as steppingstones for the journey to the United States.

In a country of 230,000 people, the number of cocaine users treated at mental health clinics has zoomed from zero in 1982 to 209 in 1984, according to Dr. David Allen, a Harvard-trained psychiatrist who heads the National Drug Council.

"What we have is the world's first free-basing epidemic (which) could be preceding an epidemic in the industrialized states" Allen said. "Anywhere there is readily available high-quality cocaine, there is this potential."

Dr. Henri Podlewski, director of the Sandilands Hospital where a special unit was created this year to treat free-basers, said free-based cocaine may be the most addictive drug known.

[From the National Institute on Drug Abuse, Winter 1988-89]

NIDA LAUNCHES $20 MILLION PROGRAM TO DEVELOP ADDICTION TREATMENT DRUGS

Thousands of pharmaceutical drugs line the shelves of apothecaries across the Nation. They're designed to treat a host of diseases and ailments—such as heart disease, diabetes, allergies, and strep throat. But, of all these drugs, only two are available to treat drug addiction.

Except for methadone and naltrexone, used for heroin addiction, today's pharmacy is barren of addiction treatment drugs. Unfortunately, the development of pharmacotherapies for the treatment of drug addiction has not received the full support of the drug industry.

"There are many reasons for this," says Dr. Marvin Snyder, director of NIDA's Division of Preclinical Research. "Chief among them are that drug abusers represent a special group of sick people who do not necessarily seek treatment and that the potential profits of developing new drug abuse treatments have not been significant."

However, Dr. Snyder notes, the cocaine epidemic of the last few years coupled with the spread of AIDS in the drug abusing population make the development of effective treatments for drug addiction more critical than ever before.

Data from NIDA's Drug Abuse Warning Network, which collects information on the health consequences of drug abuse from regularly reporting emergency rooms in about 2 dozen cities across the Nation, show that the number of people experiencing medical problems associated with cocaine use is rising sharply. Emergency room visits by cocaine users more than tripled from 1985 to 1987, rising from about 12,000 to more than 39,000.

During the same time period, according to a study of State-funded treatment programs conducted by the National Association of State Alcohol and Drug Abuse Directors, the number of people seeking help for their problems with cocaine rose from about 40,000 to more than 84,000. "Clearly, cocaine addiction is a major problem in this country, but there is no standardized therapy for treating it," Dr. Snyder says.

Heroin users also are seeking treatment for their addiction in greater numbers, Dr. Snyder notes. Many treatment programs have waiting lists of several months, he says. Since most heroin users inject the drug and many share needles to do it, they are at increased risk for getting AIDS. Nearly 30 percent of all new AIDS cases are linked to intravenous drug use.

To respond to these crises, NIDA is heading an aggressive Federal effort to develop much needed treatment drugs. In fact, developing new pharmaceutical approaches to drug addiction will be among NIDA's top priorities during the next several years. This year, the Institute plans to spend $20 million to identify and develop new addiction treatment drugs—not just for opiate addiction, but also for addiction to cocaine, phencyclidine (PCP), and other drugs.

NIDA recently formed a 10-member Drug Development Task Force to enlist the support of the pharmaceutical industry, administer grants to investigators, and oversee toxicity tests, clinical trials, and computer-assisted screenings of hundreds of potentially helpful drugs.

The task force, headed by Dr. Snyder, will work closely with Food and Drug Administration (FDA) representatives and scientists from the National Institutes of Health to expedite development of new addiction treatments that:

Can serve as replacement therapies for abused drugs, like nicotine gum does for cigarettes.

Block the effects of abused drugs.

Reduce craving for abused drugs.

Temper or eliminate the drug withdrawal process.

Block or reverse the toxic effects of abused drugs.

Prevent addiction from taking hold in the first place.

The drug industry has been slow to develop addiction treatment drugs for various reasons.

The Pharmaceutical Manufacturers Association says it takes more than $120 million to develop a new drug, a process that often takes 7 to 11 years. To recover these costs, large quantities of the drugs must be prescribed and sold.

Although fear of AIDS has motivated more people addicted to drugs to pursue treatment than ever before, many still do not seek help.

And the stereotype of the potential patient as a "bottomed-out" addict finally ready to seek treatment can be a turn-off to some drug companies, fearful their products will be tainted by association.

Naltrexone, approved by the FDA in 1985, treats narcotic addiction by blocking the effects of heroin. The drug is used to maintain abstinence in patients who have been detoxified from opiates. Although there are about 500,000 people addicted to heroin in this country, Dr. Snyder says this drug may presently be useful for only a small proportion of them.

Methadone, first developed as an analgesic, acts as a replacement for heroin. In contrast to heroin, which is usually injected and lasts only 4 to 6 hours, methadone can be taken orally and is active for more than 24 hours. Patients maintained on methadone stabilized—they no longer seek heroin and are therefore able to put their energies into caring for themselves and their families and developing their job skills.

Some people criticize the use of drugs to treat drug addiction. However, Dr. Snyder says, drug addiction is a disease of the brain. Drugs such as heroin and cocaine cause a disruption of normal brain chemistry. "Treatment drugs ultimately seek to restore the balance and equilibrium of normal brain activity and behavior," he says.

Substituting someone's addiction to heroin with chronic administration of a treatment drug may not be ideal, says Dr. David Friedman, deputy director of the Division of Preclinical Research and a task force member, but it's still helpful. "As long as people aren't shooting up drugs, they're not going to get AIDS from sharing needles," he says.

Patients maintained on methadone are significantly healthier than those using illegal drugs. And treatment clients often receive valuable skill-building therapies to help them become more independent members of society. No treatment drug, given alone, is gong to be a "magic bullet," Dr. Snyder says. Counseling, therapy, and training are essential parts of a comprehensive treatment program.

But methadone and naltrexone cannot fill every treatment need. Even if they could, says Dr. Snyder, it's desirable to have alternative treatment drugs to choose from—like having acetaminophen as an alternative to aspirin for pain relief, or giving tetracycline to people allergic to penicillin for strep throat. Because drugs that work well for some people may not work for others, NIDA hopes to develop a "cafeteria plan"—a variety of addiction-treatment options for doctors and patients to choose from. "The goal is to have specific therapies available to specific patients at specific times in their treatment," Dr. Snyder says.

NIDA's most immediate priority is making the "orphan" drug LAAM (L-Alpha-Acetyl-Methadol) available to treat intravenous heroin addicts.

Developed as a potential painkiller in Germany, the drug has been around too long to patent. With no patent and no subsequent profits, there is no pharmaceutical company willing to sponsor the drug through the FDA-approval process.

LAAM, sometimes called "long-acting methadone," lasts 2 to 3 days between oral administrations. Because LAAM's effects do not start for several hours after it is taken, there's no sought-after "rush," and less risk that the drug will be stolen or diverted and sold illegally. "It's not likely to be a popular drug on the street," says Dr. Snyder.

But LAAM may be popular with addiction treatment professionals, says Dr. Friedman. With methadone serving as the only addiction-treatment drug on hand for many years, treatment personnel may have felt like carpenters with nothing on hand but hammers. "There's been only methadone for so long, anything else will boost their morale."

Scientific, legal, political, and economic problems derailed LAAM when NIDA tried to get it developed in the 1970's. But says Dr. Richard L. Hawks, chief of NIDA's Research Technology Branch and a member of the Drug Development Task Force, "LAAM held promise 15 years ago and it still does."

NIDA is searching now for a drug company to sponsor LAAM through the FDA-approved process. "LAAM will have a useful niche," Dr. Hawks says, "by it's not going to be a miracle drug."

LAAM isn't the only addiction-treatment drug on NIDA's agenda. Currently, the Institute is overseeing 28 other drugs in various stages of development, including drugs to treat cocaine and PCP addictions.

Developing new and effective drugs is a long and arduous task. First, a proposed substance must demonstrate some therapeutic potential in animal models. Then, it must be proven nontoxic for human consumption. Finally, the drug's effectiveness must be studied in human clinical trials.

Because few alternatives are available, drugs approved as safe and effective for other medical conditions are sometimes prescribed for addiction treatment, says Dr. Friedman. The antihypertension drug cloni-

dine is not FDA-approved for the treatment of drug addiction, yet is sometimes used to ease the symptoms of opiate and nicotine withdrawal. But with a limited repertoire to choose from, and with so many drug-dependent people in need, it's hardly surprising that clonidine is being used this way, he says.

NIDA hopes, with FDA approval, to establish a special drug distribution system, similar to the one used by NIH's National Cancer Institute, to allow physicians to prescribe addiction treatment drugs prior to completion of the formal FDA drug approval process.

The Orphan Drug Act of 1983, which gives drug companies exclusive rights to market a drug in lieu of a patent, provides some incentive to private companies to invest in new treatment drugs. NIDA is also attempting to identify incentives that will encourage pharmaceutical companies to begin drug development.

"The Institute is committed to providing the needed leadership and direction to develop a wide variety of useful addiction-treatment drugs," says Dr. Snyder.

NATIONAL INSTITUTE ON DRUG ABUSE DRUG DEVELOPMENT PROGRAM

Drug	Therapeutic indication	Sponsor	Status	Owner
Opiate treatment agents:				
Methadone plus naloxone	Opiate maintenance therapy, lower abuse potential		Approved but not marketed	Bristol.
Depot naltrexone	Long-term opiate blockade	NIDA	Standard drug approved	Dupont.
LAAM	Opiate maintenance therapy	NIDA	Phase III completed	Public.
Clonidine	Opiate detoxification	None	Currently in use in open trials	Boehringer.
Buprenophine	Opiate detoxification, opiate maintenance and blockade	NIDA	Phase II	Norwich Eaton.
Metkephamid	Opiate maintenance therapy	NIDA	Phase I	Lilly.
Acetorphan	do	NIDA	Animal testing	
Cocaine treatment agents:				
Desipramine	do	NIDA	Phase II	Merrell Dow.
Sertraline	do	NIDA	do	Pfizer.
Imipramine	do	NIDA	do	Geigy.
Carbamazepine	do	NIDA	Phase I	Do.
Mazindol	do	NIDA	do	Sandoz.
Flupenthixol	do	NIDA	Clinical evaluation	Merrell Dow.
Fluoxetine	Treat cocaine and PCP withdrawal	NIDA	do	Dista/Lilly.
Niedipine	Block euphoria	NIDA	Phase II	Pfizer.
Buprenorphine	do	NIDA	Clinical evaluation	Norwich Eaton.
Verapamil	do	NIDA	Animal testing	Seale.
Diltiazem	do	NIDA	do	Marion.
Sulpiride	do	NIDA	do	Delegrange.
SCH23390	do	NIDA	do	Schering.
L-tryptophan	Functional antagonism	NIDA	Phase II	Public.
Amantadine	Maintenance therapy	NIDA	Phase I	Endo.
Bromocriptine	do	Sandoz	do	Sandoz.
Methyiphenidate	do	NIDA	do	CIBA.
L-DOPA	Replacement therapy	NIDA	Clinical evaluation	Roche.
Toxic overdose treatment agents:				
Nifedipine	Cocaine cardiotoxity	NIDA	Animal testing	Pfizer.
Verapamil	do	NIDA	do	Searle.
Diltiazem	do	NIDA	do	Marion.

DOES CARBAMAZEPINE CURE COCAINE CRAVING?

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The most difficult, and currently unmanageable component of cocaine dependent treatment is the overwhelming craving for cocaine. Because of this consisent craving, it is estimated that 80-100% of cocaine dependent patients relapse within the first 12 months no matter how high their motivation. We have begun using carbamazepine in an attempt to treat cocaine craving in an open trial as an adjunct to other standard rehabilitation efforts. 16 patients to date have been offered carbamazepine. All patients had long histories of substance abuse: with an average of 16 years of illicit abuse, more than 7 years of cocaine use, and repeated unsuccessful treatment attempts (x=4.9) Of the 16 patients, 6 patients refused, and 1 took it less than 3 days. Of the 9 patients who have taken carbamazepine, 1 was a clear failure with almost immediate return to frequent use and discontinuance of the medication; 4 of the 9 have been at least partial successes with intermittent use of carbamazepine and progressive periods of cocaine abstinence during its use; 4 patients have had clear success, with abstinence ranging from 1 to 6 months. Both the successful and partially successful patients agree that cocaine craving is significantly reduced even while in high risk situations. The dose range for these 4 patients is 200-400mg per day. A ratio of days of cocaine use per 100 patient days has been derived in an effort to assess comparability of results. The 4 successful patients, as of August 24, had decreased their use from 63.5 days per 100 days pretreatment to 0 days posttreatment with 227 patient days. The 4 with intermediate success have had a reduction from 71.3 days pretreatment to 14.3 days posttreatment. The 6 cocaine users who refused treatments have had virtually no change in their use (77/100 to 73.3/100.) Originally, 9 of the 16 were referred from a methadone maintenance program because of cocaine use which threatened their continuation on methadone. Only 1 of the successes and 2 of the partial successes are methadone patients. The methadone users have consistently reported the appearance of early opiate withdrawal symptoms (18-24 hours post methadone dose.) Based on the liver enzyme induction effect of carbamazepine, this clinical observation is likely accurate. There are several theoretorical reasons why carbamazepine might be useful. Carbamazepine reverses cocaine-induced-kindling, the facilitation of focal neuronal firing induced by repeated pharmacologic exposure, in the animal research model.

HARVARD COMMENCEMENT ADDRESS BY PRIME MINISTER BHUTTO

Mr. MOYNIHAN. Mr. President, I rise to share with my colleagues the commencement address given by Prime Minister Mohtarma Benazir Bhutto at Harvard University on June 8, 1989.

The Senate is already acquainted with Mrs. Bhutto's eloquence. Indeed, the day before her speech at Harvard, she gave a historic address to a joint session of the Congress. The echoes of that address still ring through our Halls.

At Harvard, Mrs. Bhutto elaborated on the themes she shared with us, particularly the democratization of Pakistan. I ask unanimous consent that the text of this commencement address be printed in the RECORD.

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

HARVARD COMMENCEMENT ADDRESS, JUNE 8, 1989, PRIME MINISTER MOHTARMA BENAZIR BHUTTO

President Bok, Governor Dukakis, Members of the Board of Overseas, new graduates, and distinguished alumni,

I am honored to have been asked to make this commencement address to the Class of 1989. First let me congratulate all those who have been awarded degrees at today's commencement.

Not too long ago, I sat where you now sit. I can vividly recall the effort your degrees represent—tramping to class in sub-arctic temperatures, fighting for reserve books at Hilles Library, cramming for exams, and the occasional all-nighter to complete a term paper.

Today is the day of celebration and I am privileged to share it with you. I am also greatly honored by the degree you have conferred on me. I am grateful, President Bok, for the kind words in your citation. However, I regard this honor as more than a personal recognition.

I consider it an affirmation of your abiding belief in the university of the principles

of democracy, liberty, and human rights. Events two centuries ago earned Cambridge, Boston, and the surrounding region the sobriquet "the cradle of liberty." It was here that the first successful struggle against European imperialism began. It was here—under the banner "no taxation without representation"—that the idea of government by the consent of the governed first gained currency.

Cambridge and Harvard were my cradle of liberty, too. I arrived from a country that, in my lifetime, had not known democracy or political freedom. As an undergraduate I was constantly reminded of the value of democracy by the history of freedom that permeates this place. It was not just the history of democracy that inspired me at Harvard. It was, above all, the concrete expression of it.

My Harvard years, 1969 to 1973, coincided with growing frustration over U.S. policy in Southeast Asia. This was particularly true in the campuses where students were in the forefront of those protesting the Vietnam War. For me, there were demonstrations on Boston Common and in Washington; mass meetings at Harvard Stadium. Some American commentators argued that the division over Vietnam signalled American weakness. I saw it as a measure of America's greatness—a reflection of democracy in action—of an open society, which, because it is open has the means of regeneration and revitalization. In the Pakistan of those days, the press did not criticize the government—because the government controlled the press.

While I was a junior at Harvard, Pakistan initiated an experiment in democracy. The experience is instructive. As 1971 ended, our country was in ruins. A third of the territory and more than one-half of the population was gone, the result of a military defeat precipitated by military repression in what was then East Pakistan. War and mismanagement had left our treasury empty and our economy in shambles. Ninety-three thousand Pakistani soldiers were prisoners of war, threatened by their captors with trial and punishment. Internal discord in West Pakistan threatened the survival of what was left of our country. A protracted period of military rule produced this catastrophe.

It was a disaster resulting from rule without accountability, brought about by the arrogance of a self-imposed mission to save the country from its own people. In the face of catastrophe, what did our military leaders do? They turned power over to the civilians, to an elected Prime Minister.

In a pattern repeated by the Greek colonels and Argentine junta, our military said, in essence, "we have created a hopeless situation; we now wash our hands of the responsibility to resolve it." But resolve it we did. The elected Prime Minister negotiated an honorable peace with the victor. He secured the return of the prisoners of war. He put the economy back on its feet. And he initiated a program of social and economic reform to benefit the poor and dispossessed, who are the majority in our land.

All this was done, I might add, at a time of global economic recession brought about by the oil shocks of the 1970s. What then happened? As is the case in democracies, the political process again became rambunctious. Opposition politicans challenged the elected government in the press, at the polls, and in the streets.

The military whose dignity was restored by the elected government moved in "to end the squabbling among politicians." The new dictatorship proved more brutal, more determined to stay in power than any of its predecessors. Elections were promised and summarily cancelled. The elected Prime Minister was arrested and then under the cloak of a judicial proceeding, murdered. Flogging, imprisonment, and execution became the staple of political life in our land. Under the circumstances that were as remarkable as they were unexpected, Pakistan last fall got a second chance at democracy. It is an opportunity we must not lose.

In our first act, I am happy to say, our government freed all political prisoners and commuted all death sentences. We have restored freedom of speech, freedom of association, and freedom of the press. In the National Assembly there is a lively opposition and, for the first time in our history, the State-owned television provides full coverage of their activities. Senator Daniel Patrick Moynihan, who recently visited me in Islamabad, once wrote that "if you are in a country where the newspapers are filled with good news, you can be sure that the jails are filled with good men."

Even a casual review of our press would serve to confirm the obverse of the Senator's statement. Around the world democracy is on the march. In the last decade Pakistan is only the more recent country to change course from dictatorship to democracy.

But we must be realistic. We must recognize that democracy, particularly emerging democracy, can be fragile.

I have already cited the experience of our last democratic government. The example is not confined to Pakistan. In the Philippines, Corazon Aquino's three-year-old democracy has already endured several coup attempts. In Argentina, there have been half a dozen military rebellions. In Peru, terrorism and narcotics threaten a 15-year-old experiment in democracy.

Democracy needs support and the best support for democracy comes from other democracies. Already there is an informal network to support democracy. Annually, the United States prepares a report on human rights in every country.

In prison, I was heartened to learn that the Congress had linked U.S. assistance to Pakistan, in the Pell Amendment, to the "restoration of full civil liberties and representative government in Pakistan."

Friends of democracy in other countries, including Britain, Canada, and Germany, sent delegations to investigate human rights abuses in Pakistan. Our elections last November 16 were made easier by the presence of observers sponsored by the Democratic Party of the United States, the British Parliament, and the South Asian Association for Regional Cooperation.

This informal network for democracy can and should be strengthened. Democratic nations should forge a consensus around the most powerful political idea in the world today: the right of people to freely choose their government.

Having created a bond through evolving such a consensus, democratic nations should then come together in an association designed to help each other and promote what is a universal value—democracy.

Not every democracy organizes itself in the same way; nor does every democracy express itself in the same way. But there are two elements I consider essential to all democracies. These are:

(1) the holding of elections at regular intervals, open to the participation of all significant political parties, that are fairly administered and where the franchise is broad or universal; and

(2) respect for fundamental human rights including freedom of expression, freedom of conscience, and freedom of association.

There are several ways in which members of an Association of Democratic Nations can help each other. One way is to ensure the impartiality of elections. After all, democracy as a system of government can only work when all participants in the political process accept the verdict of the people.

For the verdict to be accepted as legitimate, elections must not only be fair, but they must also be seen to be fair. International observer missions have already played critical roles in ensuring fair outcomes to elections in several countries, including mine.

The presence of observers is a deterrent to fraud. The observers' report can help legitimize an election in an emerging democracy where popular skepticism can be rife (as in South Korea), or it can validate local perceptions of fraud, as in the Philippines and Panama.

Observers also bring television with them. It is harder to steal an election if the whole world is watching, and, as the experience of the Philippines suggests, attempted fraud under the glare of televison lights can help galvanize a popular uprising.

There are other ways in which an Association of Democratic Nations can provide some protection for democratic governments in the Association. In countries without established traditions of representative government, democracy is always at risk. All too often, there is the overly ambitious general, the all too determined fanatic, or the all too avaricious politician. The Association of Democratic Nations can help change the calculus for each of these potential coup plotters by adding the element of international opprobrium.

The Association can mobilize international opinion against the leaders of any coup. Ultimately, I believe, the door should be open to stronger steps, including economic sanctions. Democracy depends on our ability to deliver to the people.

Many new democracies find that dictatorship has left them with empty treasuries—because of reckless spending and no accountability under dictatorship. As was true for new democracies in other lands—notably Argentina and Brazil—we in Pakistan also found that dictatorship had left the state coffers empty. Our situation is not unique. Other new democracies have come to power to find the cupboard bare.

The Association could promote the idea that foreign aid should be channeled to democracies. There is nothing wrong with rewarding an idea in which the donors believe. The prospects for democracy may depend on it. Some may object that the Association I am proposing will have primarily moral force.

I acknowledge this, but I would urge that morality has a larger power in international relations than commonly recognized. Democratic nations can also cooperate in building an international machinery to protect human rights and principles of justice and due process of law.

National efforts to strengthen institutions that protect people from human rights abuses and guarantee their political freedoms need to be reinforced at the international level.

Dictatorships will always seek ways and means to clothe their crime in the garb of legality—always seek to settle political

scores and eliminate opponents in the name of justice, law, and due process.

The instrument that they use is as old as political history, as old as the trial of Socrates. It is the instrument of the Political Trial—a most pernicious and destructive weapon, which in the hands of skillful manipulators is extremely effective in suppressing dissent and in destroying opponents. I believe it is time that the international community makes a concerted effort to put an end to such practices.

In my country many of those who resisted dictatorship—the heroes of our democratic struggle—were young men and women of your age. Many of them endured long periods of incarceration, and faced charges on political trials that were a travesty of truth and justice.

Many suffered the worst forms of torture and the humiliation of the physical punishment of flogging. Indeed, many had to make the supreme sacrifice with their young lives.

I can never forget what they endured. I can only strive with all my strength to give meaning to what they sought—those simple but priceless freedoms that you here, perhaps, take for granted.

But it is faith that inspired and provided sustenance to our democratic struggle—faith in the righteousness of our cause, faith in the Islamic teaching that "tyranny cannot long endure." How wrong therefore is the picture that is often painted about Pakistan as a country that cannot be democratic because it is Muslim. I have often heard the argument that a Muslim country as such cannot have or work democracy.

But I stand before you, a Muslim woman, the elected Prime Minister of a hundred million Muslims, a living refutation of such arguments and notions. This has not happened as an isolated phenomenon.

It has happened because the people of Pakistan have demonstrated, time and again, that their faith in their inherent right to fundamental freedoms is irrepressible, that they will always fight against dictatorship.

This love for freedom and human rights may owe a considerable deal to the colonial legacy and to the example of Western democratic institutions. But it arises fundamentally from the strong egalitarian spirit that pervades Islamic traditions. The Holy Quran calls upon Muslims to resist tyranny. Dictatorships in Pakistan, however long, have therefore always collapsed in the face of this spirit.

Islam, in fact, has a very strong democratic ethos. With its emphasis on justice, on equality and brotherhood of men and women, on government by consultation and consensus, Islam's essence is democratic.

Pakistan is heir to an intellectual tradition of which the illustrious exponent was the poet and philosopher Muhammad Iqbal. He saw the future course for Islamic societies in a synthesis between adherence to the faith and adjustment to the modern age.

It is this tradition which continues to inspire the people of Pakistan in their search for their own way of life amidst competing ideologies and political doctrines. Tolerance, open-mindedness, pursuit of social justice, emphasis on the values of equality and social concord and encouragement of scientific inquiry are some of its hallmarks.

It drew strength from the fact that Islam admits no priesthood and that Muslim culture, in its most vital and creative periods, accommodated and advanced what was best in other cultures. Intensely devoted as the pioneers of this tradition were to the Islamic spirit, they were also strongly opposed to bigotry and obscurantism in all their forms.

Xenophobia or prejudice against other civilizations, western or non-western, was repugnant to their outlook. I am indeed proud of this heritage. It is this heritage that has enabled me to take on the awesome responsibilities of the Prime Ministership of my country.

As my country stands on the threshold of greater freedom and sets the priorities that it will take into the 21st century, we draw our inspiration from what the poet-philospher Iqbal said—and what is universally applicable:

"Life is reduced to a rivulet under dictatorship. But in freedom it becomes a boundless ocean." This is true in Pakistan, and on every continent on earth. Let all of us who believe in freedom join together for the preservation of liberty.

Democratic nations unite.

Thank you very much.

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

ENROLLED BILL SIGNED

At 10:10 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 881. An act to provide for restoration of the Federal trust relationship with, and assistance to, the Coquille Tribe of Indians and the individual members consisting of the Coquille Tribe of Indians, and for other purposes.

The enrolled bill was subsequently signed by the Acting President pro tempore (Mr. CONRAD).

At 3:14 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 40. Concurrent resolution to designate June 21, 1989, as Chaney, Goodman, and Schwerner Day.

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the following enrolled bill:

H.R. 2344. An act to authorize the transfer to the Republic of the Philippines of two excess naval vessels.

At 5:34 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House insists upon its disagreement to the amendments of the Senate to 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; it asks a further conference with the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. WHITTEN, Mr. NATCHER, Mr. SMITH of Iowa, Mr. YATES, Mr. OBEY, Mr. ROYBAL, Mr. BEVILL, Mr. MURTHA, Mr. TRAXLER, Mr. LEHMAN of Florida, Mr. DIXON, Mr. FAZIO, Mr. HEFNER, Mr. CONTE, Mr. MCDADE, Mr. COUGHLIN, Mr. REGULA, Mrs. SMITH of Nebraska, Mr. EDWARDS of Oklahoma, Mr. GREEN, and Mr. ROGERS as managers of the conference on the part of the House.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1311. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report concerning the Department of the Army's proposed letter of offer to Bahrain for defense articles estimated to cost in excess of $50 million; to the Committee on Armed Services.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KENNEDY, from the Committee on Labor and Human Resources:

Report to accompany the bill (S. 123) to provide assistance to States and localities for high quality early childhood development programs for prekindergarten children, and for other purposes (with minority views) (Rept. No. 101-58).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources:

Frank A. Bracken, of Indiana, to be Under Secretary of the Interior; and

Delos Cy Jamison, of Montana, to be Director of the Bureau of Land Management.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. SANFORD (for himself, Mr. CHAFEE, Mr. PELL, Mr. LUGAR, Ms. MIKULSKI, Mr. PRESSLER, Mr. KASTEN, Mr. HARKIN, Mr. SHELBY, Mr. FORD, Mr. DECONCINI, Mr. GRASSLEY, and Mr. METZENBAUM):

S. 1212. A bill to amend title II of the Social Security Act to provide for a more gradual period of transition (and a new alternative formula with respect to such transition) to the changes in benefit computation rules enacted in the Social Security Amendments of 1977 as such changes apply to workers born in years after 1916 and before 1927 (and related beneficiaries) and to provide for increases in such workers' benefits accordingly, and for other purposes; to the Committee on Finance.

By Mr. COHEN:

S. 1213. A bill to establish a presumption of eligibility for asylum in the United States for certain natives of the People's Republic of China; to the Committee on the Judiciary.

By Mr. DECONCINI:

S. 1214. A bill to provide that ZIP code boundaries may be redrawn so that they do not cross the boundaries of any unit of general local government; to the Committee on Governmental Affairs.

By Mr. WIRTH (for himself, Mr. METZENBAUM and Mr. LAUTENBERG):

S. 1215. A bill to require the Federal Communications Commission to reinstate restrictions on advertising during children's television, to enforce the obligation of broadcasters to meet the educational and informational needs of the child audience, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. SIMON:

S. 1216. A bill to amend the National Labor Relations Act to give employers and performers in the live performing arts, rights given by section 8(e) of such Act to employers and employees in similarily situated industries, to give to such employers and performers the same rights given by sections 8(f) of such Act to employers and employees in the construction industry, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. HEINZ (for himself, Mr. GARN, Mr. BOND, Mr. CRANSTON, Mr. KERRY, Mrs. KASSEBAUM, and Mr. SANFORD):

S. 1217. A bill to amend the Export-Import Bank Act of 1945; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. KOHL (for himself and Mr. CRANSTON):

S. 1218. A bill to facilitate the adjustment or change of status of Chinese nationals in the United States by waiving the 2-year foreign residency requirement for "J" nonimmigrants and by treating nonimmigrants whose departure has been deferred by the Attorney General as remaining in legal nonimmigrant status for purposes of adjustment or change of status; to the Committee on the Judiciary.

By Mr. MACK:

S. 1219. A bill to repeal medicare catastrophic coverage provisions effective in years after 1989 and the supplemental medicare premiums, and for other purposes; to the Committee on Finance.

By Mr. KERREY (for himself, Mr. LUGAR, Mr. HARKIN, Mr. DASCHLE, Mr. EXON, and Mr. BOSCHWITZ):

S. 1220. A bill to amend the Food Security Act of 1985 to improve the program under which the Secretary of Agriculture may settle certain loans, and for other purposes; to the Committee on Agriculture, Nutrition, and Foresty.

By Mr. PRYOR (for himself, Mr. ADAMS, Mr. BENTSEN, Mr. BOSCHWITZ, Mr. BRADLEY, Mr. BRYAN, Mr. BUMPERS, Mr. BURDICK, Mr. CHAFEE, Mr. COCHRAN, Mr. COHEN, Mr. CONRAD, Mr. CRANSTON, Mr. D'AMATO, Mr. DIXON, Mr. DODD, Mr. DOLE, Mr. DURENBERGER, Mr. GARN, Mr. GLENN, Mr. GORE, Mr. GRASSLEY, Mr. HEINZ, Mr. INOUYE, Mr. JOHNSTON, Mrs. KASSEBAUM, Mr. KERRY, Mr. LAUTENBERG, Mr. LEVIN, Mr. LIEBERMAN, Mr. LUGAR, Mr. MITCHELL, Mr. MOYNIHAN, Mr. MURKOWSKI, Mr. NUNN, Mr. PACKWOOD, Mr. PELL, Mr. PRESSLER, Mr. REID, Mr. ROBB, Mr. ROCKEFELLER, Mr. SASSER, Mr. SHELBY, Mr. SIMPSON, Mr. STEVENS, Mr. THURMOND, Mr. WARNER, Mr. WILSON, and Mr. WIRTH):

S.J. Res. 161. Joint resolution to designate the week of October 22, 1989, through October 28, 1989, and the week of October 21, 1990, through October 27, 1990, as "National Adult Immunization Awareness Week"; 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, Mr. DOLE, Mr. BYRD, Mr. PELL, Mr. LUGAR, Mr. NUNN, Mr. STEVENS, and Mr. CHAFEE):

S. Res. 149. Resolution concerning the resumption of strategic arms reduction negotiations with the Soviet Union; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SANFORD (for himself, Mr. CHAFEE, Mr. PELL, Mr. LUGAR, Ms. MIKULSKI, Mr. PRESSLER, Mr. KASTEN, Mr. HARKIN, Mr. SHELBY, Mr. FORD, Mr. DECONCINI, Mr. GRASSLEY, and Mr. METZENBAUM):

S. 1212. A bill to amend title II of the Social Security Act to provide for a more gradual period of transition—and a new alternative formula with respect to such transition—to the changes in benefit computation rules enacted in the Social Security Amendments of 1977 as such changes apply to workers born in years after 1916 and before 1927—and related beneficiaries—and to provide for increases in such workers' benefits accordingly, and for other purposes; to the Committee on Finance.

SOCIAL SECURITY NOTCH ADJUSTMENT ACT

Mr. SANFORD. Mr. President, today I am introducing legislation to correct the injustice of the Social Security notch. Similar legislation that I introduced 2 years ago, during the 100th Congress, was a compromise proposal that I felt was both fair and reasonable. The proposal that I introduce here today offers a greater compromise, yet continues to be a fair and reasonable approach—and affordable.

Mr. President, I think we all understand how this notch issue came about. An automatic benefit increase adopted in 1972 proved to be too generous. It allowed Social Security benefits to rise to unintended high levels because the benefit change overcompensated for inflation. I think we all agree with this. There is no question that these projected high benefit levels were a real threat to the solvency of the Social Security trust funds. Clearly something had to be done to prevent this, and the Social Security Amendments of 1977 provided the fix. However, in attempting to fix one problem, another one was created—the notch problem. Some of my colleagues do not agree that the notch is a problem, but it is, and it is one we can easily afford to fix. The 1977 amendments did create a notch, and individuals within that notch are receiving lower benefits than those born before or after them. Those individuals now known as notch babies are understandably enraged by this benefit inequity, and I cannot blame them. The notch inequity has been gathering cobwebs for the past 12 years, and correcting it can be put off no longer. Notch babies deserve a fair settlement, and I am prepared to give them one.

The legislation I offer today should impact more than 10 million retired workers by increasing their annual Social Security benefits an average of $550 per year for those retiring at age 65, and an average of $144 annually for those retiring at age 62. Including a modest, one time, limited retroactive payment not to exceed $1,000 per family, this bill achieves benefit equity at a much smaller cost than other proposals. The annual cost will peak at $4.6 billion during the mid 1990's and gradually diminish in cost thereafter.

Some of my colleagues who oppose correcting the notch have said it will bankrupt the Social Security system, but that is just not so. The average increase per year until the years 2000 is about 2 percent, less than half of last year's Social Security COLA. That is an affordable amount, and a small amount when measured against fairness to retired citizens. Even with passage of this proposal, the total trust fund reserves should exceed $1.3 trillion at the turn of the century.

Another popular argument for opposing efforts to correct the notch is that it will just create another notch and another problem. This legislation does not create an "after-the-notch" problem. It deliberately covers individuals born beyond the traditional notch

years (1917-21), extending benefit increases to those born through 1926. Using a longer transition period avoids the creation of another pothole. In fact, I think we could have avoided this notch problem altogether had the 1977 amendments included a longer transition period.

Mr. President, I am pleased that companion legislation is also being introduced today in the House of Representatives by my good friend and colleague from North Carolina, Representative BILL HEFNER.

In offering this legislation today, I am pleased to be joined by many of my distinguished colleagues; Senators CHAFEE, PELL, LUGAR, MIKULSKI, PRESSLER, KASTEN, DECONCINI, HARKIN, SHELBY, GRASSLEY, FORD, and METZENBAUM.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD to be followed by a brief summary and statements by my distinguished colleagues, Senator KASTEN, Senator PRESSLER, and Senator CHAFEE.

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

S. 1212

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 "Social Security Notch Adjustment Act".

SEC. 2. EXPANSION OF PERIOD OF TRANSITION; NEW ALTERNATIVE FORMULA WITH RESPECT TO SUCH PERIOD.

(a) EXPANSION OF PERIOD OF TRANSITION.—Section 215(a)(4)(B)(i) of the Social Security Act (42 U.S.C. 415(a)(4)(B)(i)) is amended by striking "1984" and inserting in lieu thereof "1989".

(b) ESTABLISHMENT OF NEW TRANSITIONAL FORMULA.—Section 215(a) of such Act (42 U.S.C. 415(a)) is amended by adding at the end thereof the following new paragraph:

"(8)(A) Paragraphs (1) (except for subparagraph (C)(i) thereof) and (4) do not apply to the computation or recomputation of a primary insurance amount for an individual who had wages or self-employment income credited for one or more years prior to 1979, and who was not eligible for an old-age or disability insurance benefit, and did not die, prior to January 1979, if in the year for which the computation or recomputation would be made the individual's primary insurance amount would be greater if computed or recomputed under subparagraph (B).

"(B) The primary insurance amount computed or recomputed under this subparagraph is equal to—

"(i) the excess of—

"(I) the amount computed or recomputed under this subsection as in effect in December 1978 (for purposes of old-age insurance benefits in the case of an individual who becomes eligible for such benefits prior to 1989) or under subsection (d) (in the case of an individual to whom such subsection applies), over

"(II) the amount computed under this subsection as in effect on the date of enactment of the Social Security Notch Adjustment Act, multiplied by

"(ii) 40 percent, reduced by the sum of—

"(I) 4.0 percent times the number of years between 1979 and the year of first eligibility, plus

"(II) ⅓ of 1 percent for each month beginning before the month in which the individual attains the age of 65 and with respect to which the individual is entitled to old-age insurance benefits.".

(c) APPLICABILITY OF OLD PROVISIONS.—Section 215(a)(5) of such Act (42 U.S.C. 415(a)(5)) is amended—

(1) by inserting "(A)" after "(5)";

(2) by striking "For" and inserting in lieu thereof "Except as provided in subparagraph (B), for";

(3) by striking "effect," and all that follows through "after 1978" and inserting in lieu thereof "effect"; and

(4) by adding at the end thereof the following new subparagraph:

"(B) In applying this section as in effect December 1978 as provided in subparagraph (A)—

"(i) effective for January 1979, the dollar amount specified in paragraph (3) of subsection (a) shall be increased to $11.50;

"(ii) the table for determining primary insurance amounts and maximum family benefits contained in this section in December 1978 shall be revised as provided by subsection (i) for each year after 1978; and

"(iii) in the case of an individual to whom paragraph (1) does not apply by reason of paragraph (8)—

"(I) subsection (b)(2)(C) shall be deemed to provide that an individual's 'computation base years' may include only calendar years in the period after 1950 (or 1936 if applicable) and ending with the calendar year in which such individual attains age 65; and

"(II) the 'contribution and benefit base' (under section 230) with respect to remuneration paid in (and taxable years beginning in) any calendar year after 1981 shall be deemed to be $29,700.".

(d) CONFORMING AMENDMENT.—Section 215(a)(3)(A) of such Act (42 U.S.C. 415(a)(3)(A)) is amended in the matter following clause (iii) by striking "(4)" and inserting in lieu thereof "(4) or (8)".

(e) EFFECTIVE DATE AND RELATED RULES.—

(1) Except as provided in paragraph (2), the amendments made by this section shall be effective as if included in the amendments made by section 201 of the Social Security Amendments of 1977.

(2)(A) In any case in which an individual (under title II of the Social Security Act) is entitled on the date of enactment of this Act to monthly insurance benefits under such title which were computed—

(i) under section 215 of the Social Security Act as in effect (by reason of the Social Security Amendments of 1977) after December 1978, or

(ii) under section 215 of such Act as in effect prior to January 1979 by reason of subsection (a)(4)(B) of such section (as amended by the Social Security Amendments of 1977),

the Secretary of Health and Human Services (notwithstanding section 215(f)(1)) of the Social Security Act) shall recompute such individual's primary insurance amount so as to take into account the amendments made by this section and shall pay to such individual in a lump sum the amount specified in subparagraph (B).

(B)(i) Except as provided in clause (ii), the amount specified in this subparagraph is any additional amount to which such individual is entitled (for the period beginning with the first month for which such individual was entitled to such benefits and ending with the month preceding the first month with respect to which recomputation under subparagraph (A) is effective) by reason of such amendments.

(ii)(I) In the case of a primary insurance amount applicable to monthly insurance benefits payable for months before January 1990, the total amount payable to any individual under subparagraph (A) on the basis of such primary insurance amount is $1,000.

(II) If the amount payable under subparagraph (A) on the basis of such primary insurance amount would (except for subclause (I)) exceed $1,000, any individual receiving monthly insurance benefits on the basis of such amount shall receive such benefits in the same proportion as the benefits would be received in January 1990 (except that no such individual shall receive less than $300).

(C) In the case of any individual who—

(i) is entitled on the date of enactment of this Act to monthly insurance benefits under title II of the Social Security Act,

(ii) dies after such date and before the date on which payment is made under subparagraph (A), and

(iii) is an individual with respect to whom monthly insurance benefits under title II of the Social Security Act are payable on the basis of such individual's primary insurance amount;

the amount payable to such individual under paragraph (A) shall be paid (on an equal basis) to individuals who (for any month beginning with the month of entitlement and ending with the month such individual dies) are entitled or eligible to receive such benefits on the basis of the deceased individual's primary insurance amount. If there is no individual for whom payment can be made under the preceding sentence, a lump sum not to exceed $300 may be paid (in accordance with this title) to cover the funeral expenses of such deceased individual.

THE SANFORD SOLUTION

BENEFIT INCREASES

Fulfills original Congressional intent by gradually phasing-in a stable level of benefits more comparable to the benefits paid to those born before them. This legislation increases average benefits for those retiring at age 65 by $550 per year. For those retiring at age 62, the average benefit increase would be $144 annually.

WHO QUALIFIES?

(1) Retired workers born after January 1, 1917 and prior to January 2, 1927.

(2) Survivors of workers born after January 1, 1917 and prior to January 2, 1927 if the worker died in or after the year of his/her 62nd birthday.

(3) Disability beneficiaries born after January 1, 1917 and before January 2, 1927, upon reclassification as a retired worker (at age 65).

COST

Achieves benefit equity at substantially less cost than other proposals, with annual cost reaching $4.5 billion during the mid 1990s and gradually diminishing thereafter. Total Trust Fund reserves should still exceed $1.3 trillion by the turn of the century after passage of this bill.

Includes a modest retroactive payment, not to exceed $1,000 per family at a total cost of $8.2 billion paid during the first year of enactment.

Calendar year	Additional benefit payments due to new transition
1990	$12.2
1991	4.2
1992	4.4
1993	4.4
1994	4.5
1995	4.5
1996	4.5
1997	4.4
Total: 1990–1997	43.1

[1] Includes one time lump sum payment for retroactive benefits totalling $8.2 billion.

BENEFITS UNDER PRESENT LAW COMPARED TO BENEFITS UNDER THE SANFORD SOLUTION FOR WORKERS WHO ALWAYS HAD AVERAGE EARNINGS

[In 1989 dollars]

Year of birth	Retirement at age 62		Retirement at age 65	
	Present law	Proposal	Present law	Proposal
Pre-1977 Amendment Law [1]				
1910	$497	N/A	$638	N/A
1911	500	N/A	661	N/A
1912	513	N/A	683	N/A
1913	521	N/A	710	N/A
1914	526	N/A	728	N/A
1915	531	N/A	746	N/A
1916	546	N/A	771	N/A
Post-1977 Amendment Law [2]				
1917	557	[3] 557	696	737
1918	523	535	670	726
1919	497	515	635	706
1920	487	506	620	692
1921	499	514	632	695
1922	508	520	643	696
1923	515	521	651	696
1924	529	[3] 529	668	701
1925	545	[3] 545	689	710
1926	538	[3] 538	683	694
1927	550	[3] 550	698	[3] 698

[1] The transitional computation provided under the proposal guarantees a percentage of the benefit computed under a modified pre-1977 computation method. Since the age at which a person retires affects the percentage of the pre-1977 benefit which is guaranteed, benefits are shown for retirement at age 62 and age 65. (Also, the age-62 figures for both present law and the proposal have been reduced to take account of early retirement.)

[2] Benefits for workers entitled after 1989 are computed using the alternative II–B economic assumptions in the 1988 Trustees Report.

[3] No change from present law benefit.

Note.—Figures based on Social Security Administration estimates prior to 1989 Trustee's Report.

Mr. KASTEN. Mr. President, I rise today to express my support of legislation being introduced by the distinguished junior Senator from North Carolina regarding Social Security benefits for those retirees born between 1917 and 1921—the so-called notch babies.

The notch is the consequence of a law Congress passed in 1977 to preserve the solvency of the Social Security System. When this law was drafted, a 5-year phase-in of benefits was provided for—which continues to discriminate against a group of some 7 million retirees.

Fundamental fairness requires that we correct the inequity Congress mistakenly created over a decade ago. This legislation would provide an average annual increase of approximately $550 for those individuals retiring at age 65, and approximately $144 for those retring at age 62—without creating another notch. This legislation would also give the notch babies a grant of up to $1,000 each to help compensate for their unfair level of benefits in the past. These provisions would be financed from the surplus in the Social Security Trust Fund—at a cost of approximately 3 percent over 10 years, an amount that will not do damage to the Fund.

I commend my colleagues for introducing this legislation, and I am proud to be an original cosponsor. It is my hope that the Finance Committee will move quickly on this legislation. We have the opportunity to do the right thing by those retirees who receive less in benefits than they should merely because they happen to have the misfortune to have been born in the wrong year.

Mr. PRESSLER. Mr. President, the Social Security notch problem is very important to me because it affects 9 million retired Americans, among which are some 15,000 South Dakotans. My constituents continue to address this injustice in their mail to me. I am pleased to join my distinguished colleague, Senator SANFORD, in sponsoring legislation to address this matter.

The notch problem dates to 1972, when Congress amended the Social Security Act to provide for an annual Social Security cost-of-living adjustment. That decision resulted in larger future benefits for current workers through a general benefits increase and a cost-of-living adjustment based on the current rate of inflation. As a result of the 1972 amendment, some individuals retiring prior to the year 2000 could receive monthly Social Security benefits greater than their working salaries.

Following that 1972 amendment to the Social Security Act, Social Security benefits were increasing at a rate faster than revenues were coming in. The cost-of-living formula caused an over-compensation in benefits. Therefore, in 1977 Congress approved a plan to eliminate the over-adjustment for inflation by providing a new benefit formula for workers born after 1916. The 1977 amendment included a transition formula to protect people from an abrupt change in benefits. The transition formula divided Social Security beneficiaries into three categories: those born before 1917, those born between 1917 and 1921—the notch years—and those born after 1921.

The new formula failed to provide some retirees with a fair inflation adjustment. Workers with the same earnings record, retiring at age 65, and born only a few days apart, one in 1916 and the other in 1917, experienced up to $1,300 per year difference in received benefits.

A major reason that formula failed was the high rate of inflation in the late 1970's. An even more important reason is that the post-age 82 earnings of the people born after 1916 are excluded when calculating the benefits for workers born in the notch years.

The notch babies feel discrimination and inequity every time they receive their monthly Social Security checks. A change is needed to increase notch baby payments to a level equal to what other Social Security retirees receive. I support such a change and am pleased to support legislation that could solve this problem.

● Mr. CHAFEE. Mr. President, I am joining Senator SANFORD in sponsoring the Social Security Notch Adjustment Act of 1989, legislation to correct the Social Security notch inequity. I commend my colleague from North Carolina for his continued commitment to solving the notch problem.

I have been concerned about those affected by the notch for many years. Congress made changes to the Social Security System in 1977 to ensure the long-term stability of the trust funds. While I believe these changes were necessary to guarantee benefits to current and future recipients, what resulted was a transition formula that has not been smooth.

I do not believe our intention was to adversely affect Social Security recipients born between 1917 and 1921, the "notch years." Yet, it is clear to me that the transition formula inadvertently provided individuals with similar work histories, but born only a year apart, inequitable benefits.

In the last Congress I joined Senator SANFORD in sponsoring the Notch Adjustment Act, S. 1830. The Senate Finance Subcommittee on Social Security and Family Policy held a hearing on this issue last January. It was an informative discussion that proved valuable during the development of the legislation we are introducing today.

The Social Security Notch Adjustment Act of 1989 is a modified version of S. 1830. It would implement a smoother transition formula for those affected by the notch. Social Security recipients whose benefits are currently calculated by the notch formula would be able to opt to have their benefits recalculated by our new formula. Retirees who have been adversely affected by the faulty transition formula would receive an increase in monthly benefits as well as up to $1,000 in retroactive benefits.

The Social Security Notch Adjustment Act fairly addresses the concerns of those affected by the notch. While I will never support any changes to Social Security that would endanger the solvency of the trust funds, I believe this is a responsible solution to the notch problem.

I am hopeful that we will be able to enact this measure this year. Individuals born in the notch years have been penalized for over a decade. It is time that we provide them with all the benefits to which they are entitled.●

By Mr. COHEN:

S. 1213. A bill to establish a presumption of eligibility for asylum in the United States for certain natives of the People's Republic of China; to the Committee on the Judiciary.

PRESUMPTION OF ELIGIBILITY FOR ASYLUM FOR CERTAIN CHINESE NATIONALS

Mr. COHEN. Mr. President, while men and women the world over yearn for freedom, the vast majority of them are still shackled to the ball and chain of political and personal oppression. For a few short days, the fires of freedom burned bright in the People's Republic of China but the flames are now being systematically extinguished by the repressive tactics of the Chinese Government.

The killing and wounding of thousands of Chinese students and workers, the imposition of martial law, and the ongoing nationwide roundup of pro-democracy demonstrators is part of a brutal campaign of persecution against student leaders and others who have bravely demonstrated their peaceful commitment to democracy and human rights. As stated in Senate Resolution 142, unanimously approved on June 6, the "authorities of the People's Republic of China have behaved in a manner inconsistent with the civilized norms of the world's nations."

Thousands of Chinese students in the United States have spoken out and demonstrated in support of the pro-democracy forces in China. As a result, they would be in imminent danger of arrest or persecution upon their return to their native country. Humanitarian concerns require that we ensure that these individuals be permitted to remain in this country and not be forced to return to China.

President Bush has taken an important first step in protecting Chinese nationals in the United States from being forced to return to China. I commend him for authorizing a "deferral of enforced departure," a special immigration status that will allow Chinese citizens to remain in the United States through June 5, 1990.

The President's action, however, is only a temporary solution for the Chinese students who fear the fate that awaits them upon their return to their native land. And, because it is only temporary in nature it does not send a sufficiently strong message to the Chinese Government—a message that if they continue the current repressive campaign they will not see the return of thousands of their best and brightest students, scholars, and others who may choose to remain in the United States.

Under the legislation I am introducing today, Chinese students and exchange visitors would be presumed to qualify for asylum status. In other words, these individuals will not have to provide additional or independent evidence of a well-founded fear of persecution. While the bill does create a presumption that these individuals have a well-founded fear of persecution and, therefore, are eligible for asylum, it does not eliminate the requirement for a case-by-case review of asylum applications.

This legislation is needed for a number of reasons. If the President does not extend the "deferment of enforced departure" beyond June 5, 1990, and if conditions in China have not drastically improved by that time, and there is no reason to believe now that they will, Chinese students in the United States without valid visas face the possibility of being deported. Forcing these individuals back into the hands of the Chinese Government would be both cruel and inhumane, and would violate our country's sacred tradition of offering protection to people persecuted in their native countries.

Of more immediate concern to Chinese students and exchange visitors in the United States may be the decision of whether or not to apply for the deferment of deportation authorized by the President. If they do so and are eventually required to return to China, what awaits them upon their return? Will they automatically be labeled as counterrevolutionaries or pro-democracy sympathizers by the Chinese Government for seeking to avoid or delay their return to the People's Republic of China?

Many Chinese may be afraid to request deferment of enforced departure because of the retribution they will face from Chinese officials for taking advantage of the opportunity to remain longer in the United States. For the very same reason, many Chinese students may be afraid to apply for asylum because, if they fail to qualify, they could be deported and, if deported, will face reprisals for what their government may consider an act of treason. The legislation I am introducing is an attempt to calm those fears, and to provide a greater degree of certainty that the Chinese students and exchange visitors who fear returning to China and wish to remain in the United States will be permitted to do so.

Mr. President, I offered a lengthy statement last Friday on my reaction to what is taking place in China today.

I will not take the time this morning to repeat those comments, but a final word about today's news that three men have been executed in Shanghai, and at least eight more executions will occur shortly. These, of course, are in addition to the hundreds if not thousands of students and others who have been executed without the benefit of the phony trials in a kangaroo court that are taking place.

Monstrous lies are being told by the Chinese Government. The Chinese Government continues to tell the monstrous lie that no student demonstrations ever occurred, no blood was shed by any student, that there were no student fatalities who after all were not even demonstrating, and that the only people who were killed were soldiers who valiantly were defending the People's Republic of China against these unarmed counterrevolutionaries.

We cannot afford to participate in this monstrous lie. Other countries are turning away from the truth. They are turning away in that they are ignoring the reality of what occurred, what is on film, and what was captured by photographers.

While we are eager many times to criticize the press for being too aggressive and too inquisitive, we should take time to commend the members of the press, the international press, who were in China who risked their lives to take those memorable photographs to record for history the acts of courage and bravery that were demonstrated by the Chinese students.

But let us not play the role that some of our allies are now doing by saying, well, it is only an internal matter within China. It is none of our business. Some countries are now reinvesting, sending business men and women back into China to take advantage of those economic opportunities that await them.

Let the United States not follow suit. Let the United States not fall victim to what Alvin Toffler talked about in terms of "Future Shock," that our values, customs, and principles are being caught up in the hurricane winds of change, that events are being accelerated to the point that the world is spinning faster and faster on the finger of science. The image of the massacre may fade quickly from our consciousness. Hopefully we will continue to remind the American people and the world of what took place.

Mr. President, it is my hope that through actions such as the President announced today, while they may not be sufficient to deter the Chinese from engaging in the kinds of persecution that are taking place with respect to the execution of those who simply wanted to express their support for the forces of freedom, that they will help us recognize in the future when we see those smiling faces of the Chinese Government spokesmen, that behind those smiling faces we will find a gun barrel. That we remember the exercise of free speech in China can get you a bullet in the brain or a bayonet in the heart.

The mask of communism has been exposed for exactly what it is, a mask. Behind the smiling face lurks a brutality that will crush and oppose any effort to seek change on behalf of people of China.

I hope we do not fall victim to this tactic that is now being employed by the Chinese Government simply forc-

ing us to air brush away the images that so mesmorized the world.

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. 1213

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PRESUMPTION OF ELIGIBILITY FOR ASYLUM.

There shall be a presumption that any native of the People's Republic of China described in section 3 shall be eligible for asylum in the United States upon application to the Attorney General.

SEC. 2. APPLICABILITY OF IMMIGRATION AND NATIONALITY ACT.

Except as provided in this Act, all the terms and conditions applicable under the Immigration and Nationality Act to the granting and termination of asylum, including the provisions of section 207(c)(3) of such Act regarding the authority to exclude refugees, shall apply to aliens eligible for asylum under this Act.

SEC. 3. ELIGIBILITY.

A native of the People's Republic of China referred to in section 1 is such a native who—

(1) as of June 5, 1989, was admitted to the United States as a nonimmigrant alien described in subparagraph (F) or (J) of section 101(a)(15) of the Immigration and Nationality Act; or

(2) any other individual within such other class of aliens as may be designated by the Attorney General.

By Mr. DECONCINI:

S. 1214. A bill to provide that ZIP code boundaries may be redrawn so that they do not cross the boundaries of any unit of general local government; to the Committee on Governmental Affairs.

CHANGING OF ZIP CODE BOUNDARIES

Mr. DECONCINI. Mr. President, today I am introducing legislation designed to rectify a serious problem facing communities in my State of Arizona and other communities around the Nation. I am speaking about the problem of ZIP Codes and community identities.

This legislation requires the Postal Service to establish procedures that, upon the written request of the head of any unit of general local government, would allow the Postal Service to ensure that the boundaries marking any ZIP Code area do not cross the boundaries of the unit of general local government. This means that a town with a particular ZIP Code will not face the situation, frequent in many communities today, of having the ZIP Code of one or more additional communities.

There are a number of communities in Arizona which face this problem. The city of Avondale has been engaged in a long running battle with the Postal Service over whether Avondale can be allowed to have a ZIP Code which conforms to its city limits without also having parts of the community with Phoenix and Tolleson ZIP Codes as well. My staff and I have worked with the Postal Service in Arizona and here in Washington to resolve this issue, but to no avail. Postal officials have simply dug in their heels on this issue.

Similarly, the city of Glendale has residents within its city limits who have either Peoria or Phoenix mailing addresses.

This has resulted in great confusion for community developers and others who want to expand the economic base of their communities. It has also had a negative impact in some communities on mail delivery, tax collection, and even the provision of emergency services to people in one community who are served by the ZIP Code of another.

There are dozens of communities nationwide who face comparable situations. It has reached the point where this was a major issue addressed by the National League of Cities when they met in Washington earlier this year. I have a partial list of those communities which have been identified as having problem ZIP Codes. I ask unanimous consent that this list be printed at the conclusion of my remarks.

The legislation I am introducing will require the Postal Service to be more responsive to the needs of the communities which it serves. It will assist the Postal Service in establishing a set of administrative guidelines which can be implemented at the local level. The legislation has been endorsed by the National League of Cities and is a companion to legislation introduced in the House by Representatives STUMP and DYMALLY. I urge my colleagues to join me by cosponsoring this bill because, in the final analysis, service should be more than just a name for the Postal Service.

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

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

S. 1214

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) within 180 days after the date of enactment of this Act, the United States Postal Service shall establish procedures to provide that, upon written request of the head of any unit of general local government, the Postal Service shall ensure that the boundaries delimiting any area included within any particular ZIP code do not cross any of the boundaries of such unit of general local government.

(b) In order to apply this Act with respect to areas in which ZIP codes of more than 5 digits are used, areas having the same first 5 digits shall be considered to have the same ZIP code.

(c) For purposes of this Act—

(1) the term "unit of general local government" means a county, township, city, or political subdivision of a county, township, or city, that is a unit of general local government as determined by the Secretary of Commerce for general statistical purposes; and

(2) the term "township" includes an equivalent political subdivision having different designations as determined on the same basis used by the Secretary of Commerce for general statistical purposes.

List of Communities Having ZIP Code Problems

	Population
Alabama:	
Cullman	13,084
Gardendale	8,005
Rainbow City	6,299
Vestavia Hills	15,733
Arizona:	
Avondale	8,134
Glendale	96,988
Peoria	12,307
Phoenix	764,911
Arkansas:	
Sherwood	10,423
Shannon Hills	
California:	
Arcata	12,849
Compton	81,230
Fontana	36,804
Garden Grove	123,351
Gardena	45,165
Hawthorne	56,437
Petaluma	33,834
Rancho Palos Verdes	35,227
Rohnert Park	22,965
Signal Hill	5,734
Colorado:	
Arvada	84,576
Englewood	30,021
Estes Park	2,703
Fort Collins	64,632
Grand Junction	27,956
Lakewood	113,808
Steamboat Springs	6,000
Sterling	11,385
Westminster	50,211
Wheat Ridge	30,293
Connecticut:	
Stonington	16,220
West Haven	53,184
Florida:	
Atlantic Beach	7,847
Dunedin	30,203
Hialeah	145,254
Hialeah Gardens	5,454
North Miami Beach	36,481
Palm Beach	20,515
Pembroke Pines	35,776
Pinellas Park	32,811
Safety Harbor	14,500
Sarasota	48,868
Sweetwater	9,515
Winter Springs	10,475
Georgia:	
Athens	42,549
East Point	37,486
Idaho: Pocatello	46,340
Illinois:	
Addison	29,826
Bolingbrook	37,261
Champaign	50,267
Countryside	6,242
Hanover Park	28,719
Harwood Heights	8,228
Lincolnwood	11,921
Lombard	36,879
Loves Park	13,192
Palatine	32,176
Paris	9,885
Schaumburg	52,319

Skokie	60,278
Springfield	100,054
Streamwood	23,456
Urbana	35,978
Marwood Heights	.....
Indiana: Valparaiso	22,247
Iowa:	
Des Moines	191,003
Ottumwa	27,381
Kansas:	
Leawood	13,360
Lenexa	18,639
Merriam	10,794
Shawnee	29,653
Kentucky:	
Erlanger	14,466
Florence	15,586
Louisiana: Mandeville	6,076
Maryland:	
District Heights	6,799
Greenbelt	16,000
Hyattsville	12,709
Seat Pleasant	5,217
Massachusetts: Agawam	26,271
Michigan:	
Birmingham	21,276
Farmington	14,355
Farmington Hills	58,056
Huntington Woods	6,937
Norton Shores	22,025
Novi	22,525
Ferndale	.....
Minnesota:	
Brooklyn Park	43,332
Inver Grove Hgts.	17,171
Oakdale	12,123
Mississippi:	
Batesville	5,162
Grenada	12,641
Morton	3,303
Missouri:	
Ballwin	12,750
Berkeley	15,922
Crestwood	12,815
Hazelwood	13,098
Independence	111,797
Maryland Heights	26,214
Richmond Heights	11,516
Rock Hill	5,702
St. Louis	452,801
St. Peters	15,700
Nebraska:	
Bellevue	21,813
Papillion	.....
Nevada: Bellevue	.....
New Jersey: Plainfield	45,555
New York: Rochester	241,741
North Carolina:	
Kannapolis	31,713
Lenoir	13,748
Ohio:	
Blue Ash	9,510
Recksville	10,132
Brook Park	26,195
Centerville	18,886
Cincinnati	385,409
Elyria	57,504
Garfield Heights	33,380
Kettering	61,186
Mayfield Heights	21,550
Moraine	5,325
Reynoldsburg	20,661
Shaker Heights	32,487
University Heights	15,401
Upper Arlington	35,648
Willoughby	19,329
Oklahoma:	
McAlester	17,255
The Village	11,114
Oregon:	
Gresham	33,005
Hermitage	.....
South Carolina:	
Hilton Head Island	17,622
North Charleston	62,504
Tega Cay	2,181
Waltersboro	6,036
Tennessee:	
Bartlett	22,000
Farragut	6,355
Knoxville	175,045
Memphis	646,174
Texas:	
Arlington	160,123
League City	16,578
Missouri City	24,423
Seabrook	4,670
Utah:	
Sandy City	52,210
South Ogden	11,366
Virginia: Salem	23,958
Washington:	
Goldendale	3,414
Lacey	13,940
Lynnwood	21,937
Tukwila	3,578
Wisconsin:	
Greenfield	31,353
West Allis	63,982
Little Chute	.....
Wyoming: Gillette	12,134

By Mr. WIRTH (for himself, Mr. METZENBAUM, and Mr. LAUTENBERG):

S. 1215. A bill to require the Federal Communications Commission to reinstate restrictions on advertising during children's television, to enforce the obligation of broadcasters to meet the educational and informational needs of the child audience, and for other purposes; to the Committee on Commerce, Science, and Transportation.

CHILDREN'S TELEVISION EDUCATION ACT

Mr. WIRTH. Mr. President, something is deeply wrong with the state of children's television in the United States. I made that same statement less than a year ago when this body voted, in the final hours of the 100th Congress, to approve legislation concerning this issue. That measure was a very modest effort and had the tacit approval of the broadcast industry. Even so, that legislation was vetoed by a President whose adherence to the ideology of deregulation apparently blinded him to what is so obvious to the American public and Congress: That something needs to be done about children's television—we can no longer afford to ignore the problem.

The approval of the children's television legislation last year demonstrates that the Congress is ready to address this longstanding problem. That is a welcome development. But it has been a frustrating one as well.

The central focus of the legislation passed last Congress was a children's educational programming requirement. That provision, however, due to its ambiguous wording, would allow a broadcaster to fulfill its obligation to children without ever offering a single educational program specifically designed for children.

We can and must do better than that. If we hope to truly accomplish meaningful change in children's television, we must do more. This is too important for us to attempt yet another superficial solution that will, in essence, lock in the status quo.

Everyone of us has heard the consistent and very accurate complaints about commercial television's failure to serve the child audience—and we've heard the same story for the last several decades. During that time, the Federal Communications Commission [FCC] has, for the most part, ignored the problem, or at best paid only lip-service to it. Our only alternative is congressional action and now is the time for that action. But just as important as timing is the form of the action we take.

We have an education crisis in this country, Mr. President, and we all know it. This country's failings in educating its young are well documented by a number of studies and reports.

Also well documented is the potential of television to convey educational and informational programming that stimulates children's minds and enhances their interest in learning. Study after study shows us the enormous power of television to educate our children. Yet the tragic paradox is that the more we know about the power of television and its capacity to teach our children, the less we use it. Why? Because the FCC has, over the years, placed the commercial broadcast industry and their bottom line concerns far ahead of the interests of children. This shortsighted perspective cannot be allowed to prevail.

What needs to be done? First, the Congress needs to understand exactly why this problem exists. Our system of commercial broadcasting now, more than ever before, operates without any clear regulatory guidelines about how the interests of children must be served. Indeed, the current FCC policy in this area is so vague and ambiguous that it is tantamount to no policy at all.

In the absence of any guidelines, broadcasters have relied almost exclusively on competitive considerations to determine the programs they deliver. Without doubt, there are some important benefits associated with allowing marketplace factors to guide many aspects of broadcasting policy. The problem is that a reliance on marketplace factors also has its limitations. None is more striking than in the realm of children's television. In terms of basic broadcast economics, child audiences simply are not as valuable as are audiences of adults. If this is the case, it shouldn't be surprising that in an era of deregulation, children's needs are consistently overlooked in favor of more profitable programming ventures.

Children's programming on commercial stations today consists mostly of cartoons—that is, if any children's programs are provided at all. Most sta-

tions offer no regularly scheduled weekly educational programming for youth. In fact, there is not one regularly scheduled educational program for children on the three major networks. Of the shows that are on the air, many are of the well-known program-length commercial variety, serving little purpose other than to promote products to child viewers. And even if an educational program was to be found, its impact would be limited by the fact that 20 percent or more of the time devoted to most children's programming actually consists of commercials. This figure far exceeds the amount of commercialization found in programs for adults.

I'm confident we can all agree this situation needs to be fixed. The approval of the children's television legislation last Congress indicates that is the case. But the best way to ensure stations will provide educational programs of value for children is to enact a specific obligation that requires broadcasters to do just that. This is what the legislation I introduced today, along with Senators METZENBAUM and LAUTENBERG, would accomplish.

This legislation enjoys the strong support of a number of organizations, including the American Academy of Child Adolescent Psychiatry, the American Academy of Pediatrics, the American Psychological Association, the Consumer Federation of America, the National Education Association, the National PTA, and the National Association of Better Broadcasting. it has also been endorsed by a group of leading scholars in the area of children's television.

My legislation, the Children's Television Education Act of 1989, contains four key elements that, when implemented, will transform the state of children's television from a field that has too long lied fallow into a rich harvest of program efforts that will be of great benefit to America's youth. My proposal includes: First, a firm and precise educational children's program requirement; second, reasonable limitations on the amount of advertising to children; third, a restriction on program-length commercial directed to children; and fourth, a requirement that each station provide public notice of the educational programs it provides for children.

CHILDREN'S EDUCATIONAL PROGRAMMING REQUIREMENT

Like the measure approved by the Senate less than a year ago, my proposal would incorporate an evaluation of each station's service to the child audience as an essential part of the license renewal process. The similarity ends there, however, and an extremely important distinction emerges. My legislation requires that each station provide educational programming specifically designed for children. This is what the public interest requires, and what the broadcast industry has consistently failed to deliver.

In contrast, the House measure could be met without a single educational program specifically designed for children. Rather, it stipulates that each station shall serve the educational and information needs of children through their overall programming. One needn't be a broadcast executive to recognize the size of the loophole in the language of this requirement.

Many family-oriented programs could certainly be argued to provide lessons of benefit for children. For that matter, a station could present a "National Geographic" nature documentary and make an unassailable claim that such content fulfilled its commitment under the legislation we passed last Congress. Such programs may have some value for children, but they do not accomplish the goal of providing what we currently lack and what we need to promote—educational and informational programs specifically tailored for kids.

Why is this consideration so crucial? Imagine a third grader trying to learn from a textbook intended for adults and the answer is easy to see. Young children have limited cognitive capabilities that require special attention and consideration if the goal is to help them learn. The most effective learning occurs when children's unique needs, interests, and capabilities are taken into account. We have a handful of models, such as "Sesame Street," that demonstrate how much can be accomplished when these factors are considered in developing children's programming. There is no question that broadcasters can do this, and do it effectively. The only question is whether they actually will do it. The language of the programming requirement in the measure I propose leaves no room for doubt about what must be done. My proposal simply makes clear what all parties have said they intend.

I sincerely hope and anticipate my children's program requirement will be embraced by the industry.

ADVERTISING LIMITATIONS

In this area, my legislation would limit advertising during children's programs to no more than 9.5 minutes per hour on weekends and 12 minutes per hour on weekdays. This proposal is identical to a policy first established by the FCC in 1974, when research findings initially established that young children lacked the cognitive ability to distinguish programs from commercials and to effectively valuate advertising claims and appeals. These inherent limitations in children's processing of advertising content render them uniquely susceptible to commercial persuasion.

Nevertheless, in 1984, the FCC acted to deregulate its children's advertising restrictions, ignoring the evidence upon which its policy had initially been based. That decision, like many others the FCC has recently rendered in the children's area, was obviously grounded in ideology rather than reason.

In deregulating this policy, the FCC claimed that the marketplace could limit advertising to children as effectively as government regulations. The Commission argued that when viewers are subjected to an excessive amount of commercials, they will become annoyed and turn the channel, thus creating an incentive for broadcasters to limit their level of advertising. But such logic can hardly be applied to young children who are not yet capable of recognizing the difference between a program and a commercial.

This fundamental flaw in logic was the basis for the U.S. Court of Appeals decision ordering the FCC to reconsider its deregulation of the children's advertising limits. That order was issued in the summer of 1987. Now, 2 years later, the agency has yet to issue a response. The Commission has not reinstated the children's advertising limits it improperly rescinded, or even explained what course it intends to pursue. Once again, the agency is stonewalling, refusing to act to protect the interests of children because to do so would conflict with its deregulatory ideology.

In the meantime, broadcasters have taken advantage of this freedom to increase commercial pitches to child viewers. They have increased the amount of advertising time during commercial breaks in children's programs, in many cases exceeding the 9.5- and 12-minute limits that were maintained from 1974 to 1984. Clearly, there are no marketplace incentives to limit advertising to children.

Like my proposal, the House legislation would reinstate limits on advertising to children. However, not at the same level as the previous FCC policy. The House measure would reward the broadcast industry for the FCC's incompetence in rescinding the ad limits, allowing stations to present an additional minute per hour on weekends above and beyond the previous limit. Why? The only reason I have heard is that this would accommodate the current level of advertising on Saturday morning network shows.

I see no valid reason to countenance this increase in advertising to children. Broadcasters have presented no compelling evidence that such commercialization is either necessary or appropriate. The 9.5-minute limit proved workable for more than a decade. I continue to believe those limits remain the most desirable benchmark for protecting children from excessive commercial persuasion.

PROGRAM-LENGTH COMMERCIALS

Another important distinction between the House legislation and the measure I introduce today is how each treats another aspect of the commercialization of children's television: the issue of children's product-related programming, better known as program-length commercials [PLC's]. My proposal would reestablish a policy restricting such programs, a public interest protection the FCC maintained until 1984. In contrast, the House bill would allow the FCC's recent deregulation of children's program-length commercials to stand.

One of the most troublesome forms of advertising to children is the use of programs themselves as surrogate advertising. That is the technique known as a program-length commerical. The FCC discarded its restriction on such programs at the same time that it lifted its limits on the amount of children's advertising. Unfortunately, the Commission offered not a single word to justify its decision allowing such crass commercialism. In fact, I have yet to hear anyone, either from the FCC, the broadcast industry, or anywhere else, explain to me how the public interest is served by allowing such programs to be used to promote products to children.

Once such shows were first allowed on the airwaves, it appeared for a time that they would monopolize the limited market for children's programming. PLC's threatened to squeeze off of the commercial airwaves any educational shows or other competing programs that lacked the backing of a major toy manufacturer. Today, program-length commercials have diminished in number only because the competition among these toy-based shows grew too stiff. But the fact that children's program-length commercials are now found in somewhat fewer numbers should not affect the disdain with which they are viewed.

Entertaining or not, these programs designed to promote toy products are nothing more than 30-minute commercials. Commercials masquerading as programs would never be tolerated by adults, but these shows are popular with children only because youngsters cannot yet recognize the commercial aspect of the content. Rather than serving the public interest by conveying any messages of value to child viewers, such programs are principally designed to manipulate children's desires for others' economic gain.

America's children deserve better from a medium designated to serve the public interest, both in terms of protection from excessive commercial persuasion and also in terms of having access to more worthwhile programs. Serving the public interest means providing children's programming that is designed to stimulate a young viewer's mind rather than pad a toy manufacturer's profit margin.

My measure would put an end to program-length commercials by categorizing such content as advertising, which indeed it is, and subjecting it to the relevant limits on children's advertising time. As such programs would clearly exceed either the 9.5- or 12-minute limit on advertising, they would effectively be removed from the airwaves.

The Communication Act's basic definition of commercial content, embodied in section 317 of that statute, has survived the tests of time for more than 50 years. This section of the act states that any content for which a broadcaster receives either payment or any other form of valuable consideration shall be considered commercial in nature. My legislation utilizes this same definition of commercial matter in defining the content that will be subject to the children's advertising limitations.

Applying this definition to children's product-related programs will categorize many such shows as advertising because toy manufacturers typically offer broadcasters a number of valuable considerations in order to entice them to air their program. In some cases, broadcasters receive a portion of the profits from the sales of toys related to the programs they air. In others, the programs are sold to stations at substantially reduced terms, with the discount borne by the toy manufacturer as the equivalent of an advertising budget. Who needs to buy 30 second ads when they can rely on 30 minute commercials instead? These and similar arrangements place more worthwhile, non-product-related programming at a huge disadvantage in competing with program length commercials for the limited number of children's program slots available on the airwaves.

My measure would put an end to these practices. It would help stop the use of programs initially designed to promote products to children. Decisions regarding the children's shows stations choose to air could then be made according to the actual merits of the content and its value for children, rather than the number of products a program is likely to sell.

PUBLIC NOTICE FOR EDUCATIONAL CHILDREN'S PROGRAMS

A final aspect of my legislative proposal centers on helping parents and others to identify the educational programs that broadcasters would begin to provide in response to the new children's programming requirement. These programs should be the finest content on television for children and, as such, most parents would want to encourage their children to view them. To help parents identify the programs designed to educate and inform children, my proposal would require broadcasters to share that information with the public in a timely fashion.

The specific mechanism to accomplish this would be left entirely up to the discretion of the broadcasters. One model that has been used successfully in other countries such as Australia is to assign a "C" code to all programs designed to educate children. This designation can easily be understood by the public and included in daily television program listings in newspapers and other periodicals, in program promotions, and also presented on air before the beginning of any educational children's programming. Parents who wish to direct their children's television viewing to these educational programs can then rely upon the simple coding designation to guide their choices.

Realistically, it is impossible to expect parents to survey every available children's program and evaluate their relative merits at providing educational and informational content. The use of a simple coding scheme would allow parents and other child caretakers to be confident that programming receiving this designation would be worthwhile content for child viewers.

The determination of which shows are considered educational children's content would also be left entirely up to the broadcaster's discretion. No formal review or evaluation of the content by any outside source would be involved. All that this provision involves is sharing a judgment that must already be made by broadcasters prior to airing a program—that a given show is serving the educational or informational needs of children—and conveying that judgment to the public.

This approach poses no undue burden on the broadcaster. Each station will already be required to provide a list of the programs that serve the educational and informational needs of children to the FCC as a part of demonstrating their compliance with the programming obligations designated in this act. All this additional provision entails is that each station make that information public in a timely fashion. That information will allow these program efforts to be clearly identified by parents and others who might wish to guide children's viewing toward such content, and hopefully increase the audience for such programs.

Educational programming is only useful to the extent that it is watched. This aspect of my proposal will help ensure that those who wish to supervise their children's television watching in a responsible fashion can do so effectively.

In closing, Mr. President, it is clear that the problems with children's television can no longer be ignored, as the FCC has tried so hard to do. Broadcasters remain public trustees and it is

essential that children, our most valuable resource, be considered an integral part of any public service equation.

It's time we return to a responsible and commonsense approach to the regulation of children's television. That's what my legislation would accomplish. By adopting this legislation, we have the opportunity to send a clear message that the educational interests of children are paramount.

Mr. President, I ask unanimous consent that letters in support of this legislation be printed in the RECORD.

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

UNIVERSITY OF CALIFORNIA,
SANTA BARBARA,
DEPARTMENT OF PSYCHOLOGY,
Santa Barbara, CA, June 15, 1989.

Hon. Timothy Wirth,
U.S. Senate, Washington, DC.

DEAR SENATOR WIRTH: We are scholars at different universities across the country who conduct research on children and television issues. We all have extensive familiarity with the public policy landscape in this area and each of us has previously provided invited testimony to Congress and/or the Federal Communications Commission on the policy implications of our research. We wish to register our strong support for your legislative proposal, The Children's Television Education Act of 1989.

Throughout the last 20 years, consistent complaints have been voiced about television's failure to provide educational or informational programming to meet the needs of America's children. From time to time during this period, the Congress and the FCC have elicited "firm" commitments from the broadcast industry that improvements would be forthcoming, both in the quality and quantity of children's programming. Those promises, unfortunately, have never been kept. Today, none of the three major broadcast networks offers a single regularly-scheduled educational program for children. Research indicates clearly that commercial broadcasters, whether network affiliates or independents, provide almost no children's programs that can be classified as educational in nature.

This situation results from the FCC's consistent deference to the broadcast industry to determine what, if any, children's programming will be provided. Clearly, this hands-off approach has failed to generate many programs of value for children. To reverse this chronic shortage of worthwhile children's content, we believe a firm and precise children's educational programming requirement that applies to every television broadcaster must be implemented.

We endorse your legislative proposal and are confident it will generate meaningful improvements in educational programming for children. Your measure states clearly and unequivocally that each station must provide programs specifically designed to educate and inform child-viewers. Given the history of past efforts by broadcasters (or rather, the lack thereof), we feel this is an essential component of any sound policy to improve children's television.

We are aware of alternative proposals addressing this issue that would require broadcasters to serve children's needs through their "overall programming," rather than by requiring content specifically designed for children. We are concerned that, under this model, stations may claim to have served the child audience with programs primarily intended for adults, and little will have been accomplished. We believe your alternative offers a much more effective approach to regulation in this area. Children learn best from content that is carefully tailored to their level of comprehension and cognitive capabilities. If one's goal is to generate educational children's programs, it seems most appropriate to us to stipulate that obligation clearly, rather than rely once again on the "good-faith" efforts of broadcasters. Such efforts have consistently fallen short in the past.

We also support the additional provision of your proposal, especially the protections afforded children from excessive television advertising and program-length commercials. These actions represent a significant improvement over the current situation where virtually "anything goes" in advertising directed to child audiences. The FCC's deregulations of similar policies has placed the economic interests of broadcasters and advertisers ahead of the interests of America's children. Research indicates clearly that young children lack the ability to effectively recognize and defend against televised commercial persuasion. Thus, we believe that policies restricting children's advertising are essential to the public interest.

Finally, we wish to endorse your bill's concept of requiring stations to identify their educational children's programs in advance of their broadcast. Many parents who would like to direct their children's viewing to educational programs have a difficult time sampling every show to evaluate its merits. By providing a simple mechanism for identifying content with educational value, parents who choose to can play a more active and informed role in guiding their children's television viewing.

We believe the children's television legislation you have proposed will generate programming improvements of benefit to every child in this country. We enthusiastically support this measure and urge its adoption by the Senate.

Sincerely yours,

DALE KUNKEL, PH.D.,
UCSB;
ELLEN WARTELLA, PH.D.,
University of Illinois;
AIMEE DORR, PH.D.,
UCLA;
BRUCE WATKINS, PH.D.,
University of Michigan;
ALETHA HUSTON, PH.D.,
University of Kansas;
JOHN WRIGHT, PH.D.,
University of Kansas.

AMERICAN PSYCHOLOGICAL ASSOCIATION,
Washington, DC.

Hon. Timothy Wirth,
U.S. Senate, Washington, DC.

DEAR SENATOR WIRTH: The undersigned organizations wish to express our appreciation and gratitude for your efforts to improve the quality of children's television through the introduction of the Children's Television Education Act of 1989.

This legislation represents a significant yet reasonable response to the problems associated with children's television programming and advertising. As you know, this legislation is necessitated by the Federal Communication Commission's (FCC) abdication of responsibility for protecting the interests of children. In 1984, the Commission rescinded its policy limiting advertising during children's programs to 9.5 minutes per hour on weekends and 12 minutes per hour on weekdays. The Commission also rescinded its prohibition on program-length commercials (programs created for the primary purpose of marketing new products). Finally, and most incredibly, the Commission stated that broadcasters need no longer provide education or informational programming for children if such programming is available through alternate sources, such as PBS, cable, videocassettes, etc. Despite criticism from many members of Congress and a District Court of Appeals decision requiring them to reconsider these new policies (*Action for Children's Television* v. *F.C.C.*), the Commission has failed to act.

Your legislation addresses each of these issues. First, the bill would reestablish the pre-1984 limits on the duration of commercial matter within children's programming. Second, the bill would respond to the problem of program-length commercials by defining such programs as commercial matter consistent with Section 317 of the Communication Act. Also, the bill responds to the dearth of educational programming available for children by making the provision of programming "specifically designed to serve the educational and informational needs of both preschool and school-aged children" a consideration in broadcast license renewal. This wording is critically important. It would preclude reliance on prime-time entertainment programming to meet this obligation. Finally, broadcasters would be required to provide public notice identifying programs meeting this obligation. This requirement would greatly assist parents in helping their children select quality programs for viewing.

It is clear that children's television programming has suffered over the past five years. Cartoon shows based on toys now dominate the cartoon market. The economics associated with these programs, which are frequently given to broadcasters without charge in exchange for limited advertising, has helped squeeze more expensive educational and informational programs out of the marketplace. While other options may be available (PBS, cable), many families cannot afford such options. Further, the availability of other options does not release broadcasters from their obligation to serve the public interest as described in the Communications Act. Finally, studies indicate that the average number of minutes of advertising directed at children has increased substantially since deregulation.

Collectively, we wish to thank you for your longstanding and unyielding interest in quality television and the wellbeing of the Nation's children. We hope that your colleagues in the Senate will join you in support of this most important legislation.

American Academy of Child and Adolescent Psychiatry,
American Academy of Pediatrics,
American Psychological Association,
Consumer Federation of America,
National Association for Better Broadcasting,
National Education Association,
National PTA.

By Mr. SIMON:

S. 1216. A bill to amend the National Labor Relations Act to give employers

and performers in the live performing arts, rights given by section 8(e) of such Act to employers and employees in similarly situated industries, to give to such employers and performers the same rights given by section 8(f) of such act to employers and employees in the construction industry, and for other purposes; to the Committee on Labor and Human Resources.

LIVE PERFORMING ARTS LABOR RELATIONS AMENDMENTS

● Mr. SIMON. Mr. President, today I am introducing legislation, the Live Performing Arts Labor Relations Amendments of 1989, to correct several longstanding inequities in our Nation's labor laws relating to performing artists. These inequities have effectively denied to hundreds of live performing artists the right to organize and engage in collective bargaining over their working conditions and wages.

Like the construction and garment industries, the entertainment industry is characterized by short-term, episodic employment. Long ago, Congress recognized the special circumstances facing construction and garment workers and enacted provisions in the National Labor Relations Act [NLRA] to make it possible to extend the protection of labor laws to those workers. Musicians and entertainers, even though they face employment patterns similar to those in the construction and garment industries, still do not enjoy a right to union representation of their own choosing or to bargain with their true employers. This unfair situation has existed for over 20 years. Corrective action is long overdue to recognize the special problems faced by performers in the entertainment industry.

The Live Performing Arts Labor Relations Amendments of 1989 is identical to S. 1346, introduced in the 100th Congress, except that the bill pertains only to performing artists who work in live entertainment. This legislation would amend the National Labor Relations Act in three additional and important ways.

First, the bill would grant employee status to certain individuals who perform musical services. Because only individuals who are defined as employees under the NLRA are afforded a protected right to collective bargaining, a clear definition of the terms "employee" and "employer," and a clear understanding of the employer relationship, is a necessary first step toward providing live performers access to the collective-bargaining process. Under this legislation, an "employer" would be defined for the purposes of the NLRA to include "any person who is the purchaser of live musical performance services regardless of whether the performer of such services is an independent contractor, employer, or employee of another employer." The bill also states that independent contractors who are engaged to perform live musical services, other than an employer of persons performing musical services, shall be included in the term "employee" under the NLRA.

Second, the bill would extend the current exemption for the construction industry under section 8(f) of the NLRA to permit, but not require, employers of performing artists, other than employers in the broadcasting or motion picture industries, to enter into prehire agreements with unions representing such performers. This exemption recognizes the short-term nature of the work in the entertainment industry where a performer is often hired for a brief engagement, sometimes lasting just a day or two. By allowing prehire agreements, the exemption accommodates the performer's right to organize and bargain collectively despite the peculiar nature of the entertainment industry, which makes union representation difficult if not impossible.

Third, the bill would provide an exemption under section 8(e) under the NLRA from the prohibition against the so-called hot cargo clauses for certain persons in the entertainment industry. Like the existing exemption under the NLRA for the garment industry, the proposed exemption would allow employers and unions in the performing arts industry to enter into agreements under which employers would hire union subcontractors. The bill would also remove some of the statutory restrictions that limit performing arts union activity related to strikes and secondary boycotts.

Mr. President, the fragmented, casual and unstable nature of the entertainment industry contributes to poor wages, poor working conditions, long periods of unemployment, and just general economic uncertainty for thousands of musicians and performing artists in Illinois and across the country. A 1980 survey of performing artists found that 31 percent of all actors and 25 percent of all musicians and their families were working at or below the poverty level as determined by eligibility for the CETA Program. Performing artists need and deserve effective representation and fair collective bargaining to improve their economic well-being and overall quality of life.

The 101st Congress has an opprotunity to make the changes in our labor laws that are needed and justified to address the unusual problems faced by live performing artists—just as we have already done for workers in the construction and garment industries who face similar problems. The Live Performing Artists Labor Relations Amendments of 1989 is necessary to make union representation and collective bargaining a meaningful right for musicians and other live performing artists.

I ask unanimous consent that the full text of the bill be entered into the RECORD.

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

S. 1216

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 "Live Performing Arts Labor Relations Amendments".

SEC. 2. EXTENDING SECTION 8(e) TO THE LIVE PERFORMING ARTS INDUSTRY.

Section 8(e) of the National Labor Relations Act (29 U.S.C. 158(e)) is amended by striking *"Provided further"* in the second proviso and all that follows and inserting the following: *"Provided further,* That for the purposes of this subsection and section 8(b)(4)B), the terms 'any employer', 'any person engaged in commerce or in industry affecting commerce', and 'any person', when used in relation to the terms 'any other producer, processor, or manufacturer', 'any other employer', or 'any other person' shall not include persons in the relation of a jobber, manufacturer, contractor, or subcontractor working on the goods or premises of the jobber or manufacturer or performing parts of an integrated process of production in the apparel and clothing industry or persons in the relation of a leader, contractor, purchaser of live entertainment or live music, promoter, producer, or persons similarly engaged or involved in an integrated production or performance of any kind in the live entertainment industry: *Provided further,* That nothing in this Act shall prohibit the enforcement of any contract or agreement, expressed or implied, which is within the foregoing exception.".

SEC. 3. EXTENDING SECTION 8(f) TO THE LIVE PERFORMING ARTS INDUSTRY.

Section 8(f) of the National Labor Relations Act (29 U.S.C. 158(f)) is amended by inserting "(1)" after "(f)", and by adding at the end the following:

"(2) It shall not be an unfair labor practice under subsections (a) and (b) of this section for an employer who hires persons or contracts for the services of persons engaged in the live performing arts to make an agreement covering such persons who are engaged (or who, upon their employment, will be engaged) in the live performing arts with a labor organization of which performing artists are members (not established, maintained, or assisted by an action defined in section 8(a) of this Act as an unfair labor practice) because (A) the majority status of such labor organization has not been established under the provisions of section 9 of this Act before the making of such agreement; or (B) such agreement requires as a condition of employment membership in such labor organization after the seventh day following the beginning of such employment or the effective date of the agreement, whichever is later: *Provided,* That nothing in this subsection shall set aside the final proviso of section 8(a)(3) of this Act: *Provided further,* That any agreement which would be invalid, but for clause (A) of this paragraph, shall not be a bar to a petition filed pursuant to section 9(c) or 9(e).".

SEC. 4. TECHNICAL AND CONFORMING AMENDMENTS.

(a) DEFINITION OF "EMPLOYER".—Section 2(2) of the National Labor Relations Act (29 U.S.C. 152(2)) is amended by inserting after "directly or indirectly" the following: "and includes any person who is the purchaser of live musical performance services regardless of whether the performer of such services is an independent contractor, employer, or employee of another employer,".

(b) DEFINITION OF "EMPLOYEE".—Section 2(3) of the Act (29 U.S.C. 152(3)) is amended by inserting after "independent contractor" the following: "except that any individual having such status who is engaged to perform live musical services (other than an employer of persons performing musical services) shall be included in the term 'employee',".●

By Mr. HEINZ (for himself, Mr. GARN, Mr. BOND, Mr. CRANSTON, Mr. KERRY, Mrs. KASSEBAUM, and Mr. SANFORD):

EXPORT FINANCE EXPANSION ACT OF 1989

● Mr. HEINZ. Mr. President, I rise today to introduce legislation intended to assist U.S. business in meeting the export challenge facing our economy. Our challenge is to sustain the unprecedented period of economic growth during the 1980's while eliminating unsustainable external payments in imbalances. Five successive trade deficits over $100 billion have left us the world's largest debtor and walking a tightrope of economic management. We cannot continue to run our Government and our economy on credit and hope to control our own destiny.

Achieving the $150 billion turnaround in trade necessary to balance our external account is going to require a substantial reorientation of our economy toward exporting and a sustained period of export-led growth. The last 2 years have produced dramatic progress, with exports in the first quarter of 1989 fully 50 percent above the level in the same quarter of 1987. However, it is far from clear that this phenomenal rate of improvement can be maintained for the 2 to 3 years it would take to restore external balance.

What is clear is that the adjustment must come, one way or another. It can come through an economic recession that turns off the import tap, or it can come through a partnership of public policy and private initiative that expands foreign sales.

The trade figures show that our exporters are doing their part. The record speaks less well of the efforts of Government. Eliminating budget deficits, ensuring stable and competitive exchange rates, pursuing an aggressive trade policy, helping to restore the economic health of heavily indebted LDC markets, ensuring access to competitive trade financing, neutralizing predatory export subsidies and mixed credits, and removing regulatory impediments to exports like our outmoded export control system are all items yet to be addressed on the Government agenda.

The bill I am introducing today focuses on the problem of competitive export financing in LDC markets. Many of these markets are now shunned by U.S. banks burned by the LDC debt crisis, and are dominated by foreign governments prepared to make unlimited use of official credit and aid programs to win sales. As a result, U.S. trade with the developing world, once a major growth area, is declining as a share of total trade. In heavily indebted markets in Latin America, United States exports are no higher today than they were in 1981. The administration's tied aid credit report, as weak and watered down a statement as it was, documented $400 to $800 million of annual sales lost to mixed credits and $4 to $6 billion of aid-funded capital projects closed to U.S. businessmen.

My bill addresses these problems by amending the charter of the U.S. program charged with supporting U.S. sales to riskier markets and with battling foreign subsidies, the Export-Import Bank. The Export Finance Expansion Act of 1989 would expand permissible Bank lending activities and give Bank management greater discretion to use its resources to maximize U.S. exports. It would do this by permitting the Bank to offer interest subsidies in lieu of direct credits, to make mixed credit offers at its own discretion, and to set the terms and conditions of its guarantee program at levels sufficient to keep commercial banks operating in markets where the Eximbank is open for business.

Interest subsidies were first proposed by the Reagan administration in 1985 as a substitute for direct credit. The Congress objected to the proposal because it would have eliminated all direct credit, regardless of the effectiveness of the interest subsidy experiment, and because subsidies are more expensive than direct credit. Given current and projected budget constraints, I believe it is time to encourage the Bank to experiment with this mechanism and take advantage of its 10-to-1 leverage on appropriated funds. My bill would provide this option.

At present, the Bank can make mixed credit offers pursuant to the warchest authority in its charter. I created the warchest concept to combat the practice by our trade competitors of mixing aid and export credit funding to win sales. Unfortunately, mixed credit offers require approval by the Treasury and are tied to OECD negotiations intended to end mixed credits that have now ended without reducing the practice. Furthermore, the warchest has never been funded and the few mixed credit offers made have been funded from the direct credit program. My bill would repeal the warchest and give full authority to make mixed credit offers to Bank management.

The one resource that the Bank does have in abundance is guarantee and insurance authority. However, the Bank has been thwarted in its attempts to set interest cover policies that would make the guarantee attractive to banks and speed development of a secondary market in guaranteed loans as directed by Congress in 1986. The Bank has been barred from making a 25 to 50 basis point adjustment in interest coverage because Treasury believes the resulting paper would compete with Treasury bills and OMB argues the enhanced guarantee, with an effective subsidy of 2 percent, should be fully scored in the budget as a direct substitute for direct credit.

My bill would give Bank management full discretion to set the terms of its guarantees. It would also permit them to extend coverage of the guarantee to timely payment of participations in securitized Bank-guaranteed loans in order to encourage creation of a secondary market. These steps should make the Bank guarantee a much stronger basis of support of U.S. exports.

I believe the expanded flexibility provided by my bill would maximize the export potential of the Bank's programs at any level of financing. For example, at a $600 million direct credit level, the Bank could support well over $1 billion of exports if interest subsidies prove workable and provide $100 million or more of mixed credit grants in the bargain. While this leveraging is helpful, there is clearly no substitute for higher levels of funding and the Bank will not begin to compete effectively with foreign subsidized financing unless larger appropriations are provided. However, if higher funding is achieved in the future, the provisions of my bill would provide the same leverage for those funds.

It is time the U.S. Government got behind our exporters and the Export-Import Bank. The Reagan administration, the Congress and the business community have all collaborated in the decline of Eximbank funding. The Bush administration promise a review of export credit and mixed credit policy but is supporting only a $500 million direct credit program and $100 million for mixed credits in the crucial fiscal year 1990 budget negotiations.

Hopefully, the realization that sales and jobs are being lost for lack of funding will change the attitudes that have brought the Bank low. I urge the President and the Congress to join me in supporting this legislation. We need an export policy, we need a strong Export-Import Bank, and we need them now.

I ask unanimous consent that the text of my legislation and a brief de-

scription of the bill be included in the RECORD at this point.

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

S. 1217

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 "Export Finance Expansion Act of 1989".

SEC. 2. FINDINGS.

The Congress finds that—

(1) expansion of United States exports to developing countries is essential if the United States is to correct its external payments imbalance;

(2) export expansion is being limited by withdrawal of commercial banks from lending to countries experiencing debt servicing difficulties and by extensive use of aid budgets by major United States trade competitors to finance capital projects directly and to offer so-called mixed credits to promote capital goods exports;

(3) negotiations intended to ameliorate the mixed credit problem were completed in 1987 and have resulted in increasing the cost of mixed credits and making their use more transparent but expansion of mixed credit financing continues nonetheless;

(4) the Export-Import Bank of the United States is the agency charged with extending export credits to support sales in less creditworthy markets, with combating use of predatory mixed credits by United States trade competitors, and, since announcement of the Brady debt proposals, with preserving access of major debtors to necessary exports from the United States;

(5) the Export-Import Bank of the United States is in a weak position to play these varied roles because—

(A) its direct credit authority has suffered repeated budget reductions to the point that it is nearly 90 percent below the levels of the early 1980s;

(B) Export-Import Bank guarantee and insurance programs are not sufficiently attractive to bring commercial banks back into the market; and

(C) the mixed credit warchest authorized in 1986 has never been adequately funded or aggressively used to combat predatory financing; and

(6) these conditions will not change unless new negotiations succeed in limiting use of mixed credits and the Export-Import Bank of the United States is provided both expanded funding and the necessary flexibility in use of its funds to meet the growing export challenge of the 1990s.

SEC. 3. SUBSIDY AND MIXED CREDIT AUTHORITY.

Section 2(f) of the Export-Import Bank Act of 1945 is amended—

(1) by striking "INTEREST SUBSIDY PAYMENTS.—" and inserting "SUBSIDY AND MIXED CREDIT PAYMENTS.—";

(2) by inserting "subsidy" before "payments" in paragraph (1);

(3) by striking paragraph (2) and inserting the following:

"(2) MIXED CREDIT PAYMENTS.—The Bank may make mixed credit payments, in combination with any other payments, loans, or loan guarantees extended by the Bank, in such amounts as the Bank may determine to be necessary to be fully competitive with mixed credit terms of other countries when such financing is required in order to respond to specific mixed credit offers by foreign governments or export credit agencies.";

(4) in paragraph (3) by inserting "and (2)" after "(1)" and by striking "1986" and inserting "1989"; and

(5) by striking paragraphs (4) and (5).

SEC. 4. EXPANDED UTILIZATION OF BANK GUARANTEES.

Section 2(c)(3) of the Export-Import Bank Act of 1945 is amended by inserting "(A)" before "With" and by adding at the end of the following new subparagraphs:

"(B) For the guarantee and insurance programs covered by this subsection, the Bank shall provide up to 100 percent coverage of the interest and principal where determined necessary by the Board to ensure acceptance of Bank guarantees by United States financial institutions for transactions in all markets in which the Bank is open for business.

"(C) To encourage the free transfer of such Bank obligations, the Bank may guarantee the timely payment of principal and interest on pool certificates representing ownership of part of or all of any loan or loans guaranteed by the Bank under this Act. Such certificates shall be based on a pool approved by the Bank and shall be managed by agents approved by the Bank.".

SEC. 5. APPROPRIATION OF ANNUAL SUBSIDIES.

Section 7(a)(3) of the Export-Import Bank Act of 1945 is amended to read as follows:

"(3) AUTHORIZATION FOR SUBSIDIES.—There are authorized to be appropriated such sums as may be necessary, to cover any subsidy associated with any direct loan, subsidy payment, or mixed credit payment made by the Bank on or after October 1, 1989. Of amounts made available for Bank operations in annual appropriation acts, the portion representing any subsidy referred to in the preceding sentence shall be a permanent addition to the capital and reserves of the Bank. For purposes of this paragraph, the term 'subsidy' has the same meaning as in section 2(g)(1).".

SEC. 6. DEFINITIONS.

Section 2 of the Export-Import Bank Act of 1945 is amended by adding at the end the following:

"(g) DEFINITIONS.—As used in this section:

"(1) The term 'subsidy' means the estimated long-term cost to the Bank of a loan, subsidy, or mixed credit payment, calculated on a net present value basis. Subsidy estimates shall take into account direct outlays and delay in, or loss of, repayments of principal or interest, less any fee or premiums received.

"(2) The term 'subsidy payment' means a payment to a commercial lending institution or other lender provided by the Bank in order to ensure a sufficient rate of return to the lender, as determined by the Bank, for provision of export financing at less than market rates.

"(3) The term 'mixed credit payment' means a grant made in combination with any other payments, loans, or loan guarantees by the Bank or private sources which, together with associated financing, has a grant element greater than zero percent, as determined by the Development Assistance Committee of the Organization for Economic Cooperation and Development and which is provided by the Bank in order to neutralize the impact of credits provided by other governments that are tied to the procurement of goods or services from the donor country or a restricted number of countries.".

SEC. 7. REPEALER.

Section 15 of the Export-Import Bank Act of 1945 is repealed.

SUMMARY OF THE EXPORT FINANCE EXPANSION ACT OF 1989

SEC. 2. FINDINGS.—This section discusses the need for expanded exports to LDC markets, the continuing problem of subsidized and mixed credit financing by U.S. trade competitors, and the need for a stronger Export-Import Bank to combat these practices.

SEC. 3. SUBSIDY AND MIXED CREDIT AUTHORITY.—This provision removes restrictions in the Bank charter on use of interest subsidies to finance exports and adds new authority for the Bank to offer mixed credits at its own discretion. The effect of this provision is to expand Bank control over use of budgeted resources and encourage additional exports through use of alternative export finance mechanisms.

SEC. 4. EXPANDED UTILIZATION OF BANK GUARANTEES.—This section expands Bank discretion to set the terms and conditions of its guarantee and insurance programs in order to ensure acceptance of Bank guarantees by U.S. banks in any market where the Bank is open for business. Past Bank efforts to enhance its guarantees, and increase their acceptance as an alternative to direct credit have been blocked within the Executive Branch. The provision also permits the Bank to extend its guarantee to cover secondary marketing of pooled loans carrying an Eximbank guarantee.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.—Direct appropriations are authorized for interest subsidies, mixed credits and the subsidy element of Bank direct loans in lieu of the current appropriations limitation on direct loans. This will ensure that resources are available to fund subsidies and mixed credit grants. It would also prevent their cost from reducing the Bank's already depleted reserves.

SEC. 6. Definitions are added for new terms in the Charter.

SEC. 7. REPEALER.—The "tied aid credit warchest" in section 15 of the Charter is repealed in favor of the broader discretionary authority for the Bank to offer mixed credits in section 3 above. This is done in recognition of the fact that use of "warchest" funds was tied to pursuit of negotiations that have now been completed without reducing use of mixed credits.●

● Mr. GARN. Mr. President, today I join my colleague Senator HEINZ in introducing the Export Financing Expansion Act of 1989. This legislation will increase the effectiveness of the Export-Import Bank in meeting the needs of U.S. exporters. An effective export credit program is essential if we are to grow our way out of current payments imbalances and ensure that our exporters can compete in world markets.

The Bush administration has documented the growing use of mixed credits by our trade competitors. Other governments will spare no expense in subsidizing foreign sales and capturing foreign markets for their companies. This is a challenge that cannot be met without a much stronger Eximbank.

A stronger Eximbank will require both greater funding and broader

lending authority. Higher levels of funding, of course, will have to be worked out in the appropriations process. Our bill addresses the second issue and strengthens the Bank by providing maximum flexibility in the use of whatever level of resources are provided to the Bank. The bill does this through expansion of permissible activities from the current direct loans, guarantees and insurance to include interest subsidy payments and mixed credit grants as the situation warrants. It also permits the Bank to adjust the terms and conditions of its guarantee program without a veto by OMB and Treasury. These changes should maximize the export impact of the Bank program at any level of resources.

I believe these changes are needed to make the Bank more effective and urge the support of my colleagues for this legislation.●

● Mr. BOND. Mr. President, I am pleased today to join my colleague, Senator HEINZ, in introducing this important bill—the Export Finance Enhancement Act of 1989.

Hardly a day goes by that someone in Washington fails to talk about trade policy or the importance of the world market. We in Congress are constantly telling American businesses that they must look overseas, that they must do more exporting. Yet year after year we fail to provide any leadership or support in this area. In the past few years we have cut the resources of the agencies which exist to help companies that want to expand their overseas sales—particularly the United States and Foreign Commercial Service and the Export-Import Bank. We cannot expect business to believe our rhetoric on exporting if we continue to follow it up with action.

This bill will allow us to take some action. It takes some strong first steps toward addressing the crisis we now face in export financing. Specifically, it allows the Eximbank the flexibility to be more competitive with other nations' financing agencies. By giving bank officials the ability to offer competitive guarantees and mixed credit packages we will be able to make some progress in our effort to expand our share of the world market and keep American jobs from going overseas.

It is important to note that this bill alone will not solve our exporting problems. To be truly competitive in the export arena will take action on other fronts as well. First, we must fund the Export-Import Bank at a competitive level at least as high as last year's amount. We in Congress must realize that it is extremely shortsighted to attempt to balance the budget by cutting programs such as the Exim Direct Credit Program which pays for itself by creating jobs and GNP growth.

Second, we must provide businesses with the counseling and trade leads they need to succeed in the international marketplace. This requires a properly funded United States and Foreign Commercial Service. Few businesses have the resources to collect trade leads by themselves—the United States and FCS is critical in this area for providing leads as well as counseling.

Third, we must eliminate barriers to U.S. overseas sales—burdensome laws and regulations which make our products uncompetitive overseas must go. Laws such as cargo preference rules for agriculture or burdensome export controls for some high technology products must be removed.

Finally, we must take steps to ensure that all Americans become more aware of the world in which they live. This will take leadership from the top level of government. However, it also will require new programs in schools aimed at teaching foreign languages and cultures, as well as economics and geography.

Recently I introduced S. 1156, the Export Promotion and Market Development Act of 1989, which takes some initial steps to address these concerns. When taken in combination with the bill we are introducing today, it would be a strong showing of Congress' resolve to support American exporters.

I am hopeful this bill will attract widespread support and that we will soon see it enacted into law. I praise my colleague from Pennsylvania for drafting it and I look forward to working with him to see it is enacted.●

By Mr. KOHL (for himself and Mr. CRANSTON):

S. 1218. A bill to facilitate the adjustment or change of status of Chinese nationals in the United States by waiving the 2-year foreign residency requirement for "J" nonimmigrants and by treating nonimmigrants whose departure has been deferred by the Attorney General as remaining in legal nonimmigrant status for purposes of adjustment or change of status; to the Committee on the Judiciary.

EMERGENCY CHINESE VISITOR IMMIGRATION ACT

● Mr. KOHL. Mr. President, the blood in Tiananmen Square has stopped flowing—for now—but China's crackdown on dissent is intensifying. Eleven persons have so far been condemned to death by courts in Beijing and Shanghai, and it appears that the repression will get worse.

For this reason, the Chinese students in the United States need our help. We must allow them to remain here until they can return home safely. President Bush has taken an admirable and compassionate step by staying departures for 1 year, but more needs to be done.

That is why Senator CRANSTON and I are today introducing the Emergency Chinese Visitor Immigration Act of 1989. It is very similar to a bill being introduced in the House by Representative NANCY PELOSI. The measure would do what Chinese students have asked for: It would give each visitor the flexibility to seek an immigration status that suits his or her individual needs.

Our bill would permit the students to petition for changes in their nonimmigrant visa status and allow them to apply for permanent residency. It affords them the opportunity to seek visa types for which they may be eligible—something they cannot do if they choose to accept the "legal limbo" of President Bush's grace period.

Under President Bush's plan, Chinese students here on nonimmigrant visas—as most are—will not have to depart upon expiration of their visas—at least not until next June—if they seek protection under the administration's "deferred departure" program. But a student seeking such protection can suffer two consequences. First, the Chinese Government might learn about the student's request for protection and label that student as a counterrevolutionary. This would expose the student to grave danger upon return. Second, acceptance of "deferred departure" status means the student cannot petition for changes in immigration status, even if it would be beneficial in terms of extending the student's stay here.

The Emergency Chinese Visitor Immigration Act would provide that Chinese nationals in this country illegally remain here during the period in which the Attorney General defers their departure. This provision would permit them to change their status if they qualify. In addition, the bill would waive the 2-year foreign residency requirement for Chinese nationals. The residency requirement says that holders of "J" exchange visitor visas must return home for 2 years before they can be eligible to obtain another work or immigrant visa from the United States. Two years in China can be deadly to an individual who supports the prodemocracy movement, so the bill would let Chinese visitors petition for new visas without first having to go home and wait.

This bill will, of course, send a strong message to the Chinese Government. But more than that, it will help alleviate the fear that now grips our Chinese guests. Some 70 percent of the 40,000 Chinese students in the United States are on "J" visas. In petitions, faxes, and letters to my office, they have communicated their anxiety and their desire for adjustments in the immigration laws. Now, especially, we should respond with humanitarian legislation.

Mr. President, I have a very strong interest in this legislation. With more than 500 visiting students and schol-

ars, the University of Wisconsin-Madison boasts the largest single Chinese exchange program in the United States. I have been in close contact with officials in the university's office of international students and scholars. They believe this bill will provide the necessary relief for Chinese students nationwide. I urge my colleagues to join with Senator CRANSTON and me in sheltering our distinguished and vulnerable guests.

Let me close with a quotation, Mr. President. It is from a speech that Chinese leader Deng Xiaoping made on June 14, 1989. His speech was translated from a Chinese newspaper and sent to me by visiting Chinese scholars in Madison. "We must cut the weeds and dig up the roots," said Deng Xiaoping. "Otherwise, in 3 or 5 years, or even in 10 months, they could do it again."

The forces of democracy are not weeds, Mr. President. They are—to borrow a phrase from Mao Zedong—"flowers." And they deserve our protection. I intend to make sure that the Senate takes up my bill at the earliest possible opportunity.●

By Mr. KERREY (for himself, Mr. LUGAR, Mr. HARKIN, Mr. DASCHLE, Mr. EXON, and Mr. BOSCHWITZ):

S. 1220. A bill to amend the Food Security Act of 1985 to improve the program under which the Secretary of Agriculture may settle certain loans, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

FOOD SECURITY ACT AMENDMENTS

Mr. KERREY. Mr. President, today I am introducing legislation to grant additional flexibility to the Secretary of Agriculture so that our agricultural price support programs may be operated in a way that is friendlier to both the farmer and the taxpayer.

Under our commodity price support programs, farmers may obtain a loan by pledging their harvested grain as collateral. Current law allows the Secretary to waive interest due on maturing loans if such a waiver would benefit the Government by encouraging the farmer to market the grain rather than forfeit this collateral to the Government.

The forfeiture of grain is generally undesirable because the Government loses all principal and interest due on the loan and incurs substantial costs for handling and storing the grain. In addition, no one—especially farmers—likes to see the Government acquire huge stocks of grain because of the certainty that one day the Government will dump that grain back on the market and weaken prices.

Although current law allows the Secretary to waive some or all of the interest due on a loan in order to avoid forfeitures, this authority is critically deficient, in my view, because it does not allow the Secretary to waive a portion of the loan principal in order to avoid forfeiture. My bill would correct that deficiency.

My proposal, quite simply, would give the Secretary the option to waive some of the principal due on a regular or reserve price support loan if the Secretary determines that such a waiver would avoid forfeitures and otherwise be beneficial.

I had originally intended to offer this proposal during debate on a new farm bill. My schedule was accelerated, however, by the administration's decision last week not to extend some maturing Farmer-Owned Reserve [FOR] loans. That decision will almost certainly result in hundreds of millions of bushels of corn being forfeited to the Government, at needless cost to the taxpayer. Moreover, the Department of Agriculture has made clear its intention simply to take the forfeited grain and turn around and make it available to the market through grain catalogs issued by the Commodity Credit Corporation.

I would assert, Mr. President, that there is a better way to serve the needs of the farmer, the marketplace, and the taxpayer.

Prior to the Secretary's decision with respect to the expiring FOR loans, I met with USDA officials to urge them to consider alternate means of handling maturing loans that would make additional grain available to the market but would do so by providing incentives for farmers to market the grain directly and avoid the costly and cumbersome forfeiture and cataloging procedure. I specifically suggested use of a bid system that would allow producers to redeem their loans, look for available marketing opportunities, and market their grain as they fit. Unfortunately, USDA opted simply to extend some loans for 6 months while letting others mature, with additional forfeitures the likely result.

The bill I am introducing today will give the Secretary a new marketing tool when the possibility of grain forfeitures threatens again, as is certain to happen. I do not believe this authority should be used in all cases where forfeitures are likely, but it should be an available option, especially when the Government intends to acquire the grain only to turn around and put the grain back on the market.

Historically the commodity loan rate provided a floor under market prices because the loan allows farmers to obtain financing and store their grain rather than sell their crop at prevailing prices. In this role the loan did much to promote orderly marketing by farmers. Some people may contend, Mr. President, that my legislation will undermine this basic function or provide a giveaway to farmers. It will do neither.

In the first place, the loan's price support mechanism has already been compromised by the proliferation of new farm policy devices—for example, generic certificates, posted county prices [PCP's], CCC catalogs, et cetera—that have been used to permit the steady flow of grain to the market.

On the second point, this waiver authority, if properly used, should save taxpayer money by encouraging farmers to repay most of their loan principal and avoiding the handling and storage costs associated with grain forfeitures. And, this new tool should actually restore the original intent of the loan program to provide farmers—and not grain companies—the opportunity to market grain in an orderly fashion.

As concern grows about the adequacy of CCC stocks used to back the issuance of generic certificates, it is also time, I believe, for farm policymakers to examine new options to protect farm income, ensure that the market has ready access to needed grain, and even simplify our grain marketing schemes. These new options should preserve for the farmer a central role in offering grain to the market—a role that the present forfeiture-cataloging game does not provide.

Others may view the new authority I am proposing as a simple extension of the marketing loan concept. Like the marketing loan, the authority to waive principal would help to keep commodities moving to the market. Unlike the marketing loan, however, this waiver authority would provide the Secretary with greater flexibility to adjust loan redemption levels as necessary to meet temporary, localized, or other specific conditions where grain forfeitures threaten or where the Secretary determines that producers should have access to grain under loan.

Finally, Mr. President, let me emphasize that this new authority would provide full opportunity for farmers, and not just the commercial grain industry, to benefit from future efforts to entice grain from storage to the market. This option will leave the ultimate marketing decision with the farmer, while allowing him to benefit from the market's demand for grain and relieving the taxpayer of the additional costs inherent in acquiring, storing, and disposing of forfeited grain.

I have shared this proposal with appropriate administration officials and I am hopeful of winning their support for this simple but common sense change in farm policy.

Mr. President, on Friday of this week, the U.S. Department of Agriculture made a decision with regard to the farmer-held reserve. The U.S. Department of Agriculture calculated they need additional corn to go to market. They calculated they need about 700 million bushels of corn to go

to market. They found themselves up against a constraint in the law that enables them to forgive interest rate—interest that has accumulated on the farmer—but they are not able to make any principal reduction.

As a consequence of that, they are not able to do something that I believe we, in fact, ought to be trying to do with our policy. We ought to be trying to minimize the cost to the taxpayer and we ought to be trying to maximize the extent to which the farmer himself is making decisions about when and how to go to market.

The U.S. Department of Agriculture was, in my judgment, forced into a policy that required them, in fact, to put into effect something that will have farmers forfeiting grain to the U.S. Government, adding costs to the taxpayer, adding cost at a time when it is going to be difficult for us, anyway, to put together needed programs for agriculture, and will surrender instead to them the decision on marketing, will surrender to commercial grain facilities those marketing decisions.

We will see, instead of farmers making decisions about when to go to market, we will be seeing the U.S. Department of Agriculture making those decisions. I think neither the farmer nor the USDA wants that to be done.

Mr. President, under our commodity price support programs, farmers, as you know, obtain a loan, they pledge their harvest of grain as collateral, and the current law allows the Secretary to waive interest due on maturing loans if such a waiver would benefit the Government and the taxpayer by encouraging the farmer to market the grain rather than forfeit this collateral to the Government.

My bill would simply correct what I believe is a deficiency and what I hope the USDA themselves will observe as a deficiency. I have sent this piece of legislation to the administration hoping to get a favorable judgment from them. This will correct a deficiency and enable them to take similar action with principal on that loan. Quite simply, what this gives the Secretary an opportunity to do is to select one more option, an option to weigh the principal that is due on a regular or reserve support loan if the Secretary determines that such a waiver would avoid forfeitures and otherwise be beneficial.

Mr. President, historically the commodity loan rate provided a floor under the market price because the loan allows farmers to obtain financing and store their grain rather than sell their crop at prevailing prices. In this role, the loan did much to promote not only orderly marketing by farmers but it stabilized, in my judgment, the price the consumer has to pay as well.

This piece of legislation will prevent an undermining that I think is currently in place as a consequence of the current language of law. This new authority would provide full opportunity for farmers, and not just the commercial grain industry, to benefit from future efforts to entice grain from the storage to the market. This option will leave the ultimate marketing decision to the farmer and allow him to benefit from the market of grain and relieving the taxpayer of additional costs in storing and disposing of forfeited grain. I have shared this proposal with the administration officials and hope to win their support for this as well. I believe it is a simple and a commonsense change in our farm policy.

ADDITIONAL COSPONSORS

S. 16

At the request of Mr. CRANSTON the name of the Senator from Delaware [Mr. BIDEN] 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. 247

At the request of Mr. METZENBAUM, the names, of the Senator from North Dakota [Mr. CONRAD], the Senator from South Dakota [Mr. DASCHLE], the Senator from New Jersey [Mr. LAUTENBERG], and the Senator from California [Mr. CRANSTON] were added as cosponsors of S. 247, a bill to amend the Energy Policy and Conservation Act to increase the efficiency and effectiveness of State energy conservation programs carried out pursuant to such act, and for other purposes.

S. 335

At the request of Mr. MCCAIN, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor 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. 355

At the request of Mr. RIEGLE, the names of the Senator from Wyoming [Mr. SIMPSON], the Senator from Wisconsin [Mr. KOHL], and the Senator from Delaware [Mr. BIDEN] were added as cosponsors of S. 355, a bill to amend the Internal Revenue Code of 1986 to extend through 1992 the period during which qualified mortgage bonds and mortgage credit certificates may be issued.

S. 454

At the request of Mr. ROCKEFELLER the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of S. 454, a bill to provide additional funding for the Appalachian development highway system.

S. 455

At the request of Mr. ROCKEFELLER the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of S. 455, a bill to extend the Appalachian Regional Development Act of 1965 and to provide authorizations for the Appalachian Highway and Appalachian Area Development Programs.

S. 494

At the request of Mr. DURENBERGER, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 494, a bill to amend the Internal Revenue Code of 1986 to extend for 5 years, and increase the amount of, the deduction for health insurance for self-employed individuals.

S. 537

At the request of Mr. RIEGLE, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 537, a bill to require that any calculation of the Federal deficit made as a part of the Federal budget process include a calculation of the Federal deficit minus the Social Security reserves.

S. 552

At the request of Mr. BRADLEY the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of S. 552, a bill to restore balance among sources of supply for the Nation's sweetener needs, and for other purposes.

S. 893

At the request of Mr. LAUTENBERG, the name of the Senator from Ohio [Mr. METZENBAUM] 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 adjustment to refugee status of certain Soviet and Vietnamese parolees.

S. 933

At the request of Mr. HARKIN, the name of the Senator from Nebraska [Mr. KERREY] was added as a cosponsor of S. 933, a bill to establish a clear and comprehensive prohibition of discrimination on the basis of disability.

S. 949

At the request of Mr. RIEGLE, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 949, a bill to amend title XIX of the Social Security Act to provide States additional authority and flexibility under Medicaid to improve children's access to health care services, to assure sufficient payment levels for certain providers and to pro-

vide funds for demonstration projects, and for other purposes.

S. 972

At the request of Mr. WIRTH, the name of the Senator from Washington [Mr. ADAMS] was added as a cosponsor of S. 972, a bill to transfer to the Secretary of Health and Human Services the authority of the Secretary of Energy to conduct epidemiological studies of the effects of radiation, and for other purposes.

S. 1047

At the request of Mr. KENNEDY, the names of the Senator from Rhode Island [Mr. PELL], the Senator from Vermont [Mr. LEAHY], and the Senator from Connecticut [Mr. LIEBERMAN] were added as cosponsors of S. 1047, a bill to encourage negotiations between the United States and the Soviet Union to establish mutual and verifiable restrictions on the production of plutonium and highly enriched uranium for nuclear weapons purposes.

S. 1053

At the request of Mr. RIEGLE, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of S. 1053, a bill to amend title V of the Social Security Act to provide for supplemental resources to enhance the delivery of health services to pregnant women and infants.

S. 1092

At the request of Mr. CRANSTON, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 1092, a bill to amend title 38, United States Code, to implement certain recommendations of the Commission of Veterans' Education Policy for veterans' education policy improvements concerning work-study allowances, institutional reporting fees, and distinctions in degree and nondegree training; and for other purposes.

S. 1107

At the request of Mr. SIMON, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 1107, a bill to provide education, training, employment, and related services to displaced homemakers, and for other purposes.

SENATE JOINT RESOLUTION 86

At the request of Mr. RIEGLE, the names of the Senator from Massachusetts [Mr. KERRY] and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of Senate Joint Resolution 86, a joint resolution designating November 17, 1989, as "National Philanthropy Day."

SENATE JOINT RESOLUTION 127

At the request of Mr. SIMON, the names of the Senator from Minnesota [Mr. BOSCHWITZ] and the Senator from New York [Mr. MOYNIHAN] were added as cosponsors of Senate Joint Resolution 127, a joint resolution designating Labor Day Weekend, September 2-4, 1989, as "National Drive for Life Weekend."

SENATE JOINT RESOLUTION 134

At the request of Mr. LEAHY, the names of the Senator from Texas [Mr. BENTSEN], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Arkansas [Mr. BUMPERS], the Senator from North Dakota [Mr. BURDICK], the Senator from Mississippi [Mr. COCHRAN], the Senator from North Dakota [Mr. CONRAD], the Senator from California [Mr. CRANSTON], the Senator from New York [Mr. D'AMATO], the Senator from Illinois [Mr. DIXON], the Senator from Connecticut [Mr. DODD], the Senator from Kansas [Mr. DOLE], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Tennessee [Mr. GORE], the Senator from Washington [Mr. GORTON], the Senator from Utah [Mr. HATCH], the Senator from Alabama [Mr. HEFLIN], the Senator from Hawaii [Mr. INOUYE], the Senator from Vermont [Mr. JEFFORDS], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Wisconsin [Mr. KASTEN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Nebraska [Mr. KERREY], the Senator from Massachusetts [Mr. KERRY], the Senator from Wisconsin [Mr. KOHL], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Michigan [Mr. LEVIN], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Florida [Mr. MACK], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Idaho [Mr. MCCLURE], the Senator from Ohio [Mr. METZENBAUM], the Senator from Maryland [Ms. MIKULSKI], the Senator from Maine [Mr. MITCHELL], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Georgia [Mr. NUNN], the Senator from Oregon [Mr. PACKWOOD], the Senator from Rhode Island [Mr. PELL], the Senator from South Dakota [Mr. PRESSLER], the Senator from Arkansas [Mr. PRYOR], the Senator from Michigan [Mr. RIEGLE], the Senator from Virginia [Mr. ROBB], the Senator from Alabama [Mr. SHELBY], the Senator from Illinois [Mr. SIMON], the Senator from Wyoming [Mr. SIMPSON], the Senator from Alaska [Mr. STEVENS], the Senator from South Carolina [Mr. THURMOND], the Senator from Virginia [Mr. WARNER], the Senator from California [Mr. WILSON], and the Senator from Colorado [Mr. WIRTH] were added as cosponsors of Senate Joint Resolution 134, a joint resolution to designate the week of October 1, 1989, through October 7, 1989, as "National Disability Awareness Week."

SENATE JOINT RESOLUTION 155

At the request of Ms. MIKULSKI, the names of the Senator from Washington [Mr. ADAMS], the Senator from Idaho [Mr. MCCLURE], the Senator from Kansas [Mr. DOLE], the Senator from South Carolina [Mr. THURMOND], the Senator from Michigan [Mr. RIEGLE], the Senator from Wisconsin [Mr. KOHL], the Senator from North Dakota [Mr. BURDICK], the Senator from Mississippi [Mr. COCHRAN], the Senator from Utah [Mr. HATCH], the Senator from Oregon [Mr. PACKWOOD], the Senator from Nebraska [Mr. EXON], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. PELL], the Senator from South Carolina [Mr. HOLLINGS], the Senator from North Dakota [Mr. CONRAD], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Massachusetts [Mr. KERRY], the Senator from Georgia [Mr. FOWLER], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Georgia [Mr. NUNN], the Senator from Illinois [Mr. DIXON], the Senator from New York [Mr. MOYNIHAN], the Senator from Michigan [Mr. LEVIN], the Senator from North Carolina [Mr. SANFORD], the Senator from Texas [Mr. BENTSEN], the Senator from Maryland [Mr. SARBANES], the Senator from Arkansas [Mr. BUMPERS], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Ohio [Mr. METZENBAUM], the Senator from Indiana [Mr. COATS], the Senator from Wisconsin [Mr. KASTEN], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Utah [Mr. GARN], the Senator from New Mexico [Mr. DOMENICI], the Senator from Florida [Mr. MACK], the Senator from New York [Mr. D'AMATO], the Senator from Alaska [Mr. STEVENS], the Senator from Maine [Mr. COHEN], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Connecticut [Mr. DODD], the Senator from Alabama [Mr. HEFLIN], and the Senator from Kansas [Mrs. KASSEBAUM] were added as cosponsors of Senate Joint Resolution 155, a joint resolution designating June 23, 1989, as "United States Coast Guard Auxiliary Day."

SENATE CONCURRENT RESOLUTION 40

At the request of Mr. CRANSTON, the name of the Senator from Alabama [Mr. SHELBY] 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 CONCURRENT RESOLUTION 47

At the request of Mr. SIMON, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of Senate Concurrent Resolution 47, a concurrent resolution expressing the sense of the Congress on multilateral sanctions against South Africa.

SENATE RESOLUTION 149—RELATING TO THE RESUMPTION OF START TALKS

Mr. MITCHELL (for himself, Mr. DOLE, Mr. BYRD, Mr. PELL, Mr. LUGAR, Mr. NUNN, Mr. STEVENS, and Mr. CHAFEE); submitted the following resolution which was considered and agreed to.

S. RES. 149.

Whereas reductions of strategic nuclear weapons which stabilize the nuclear balance through mutual and verifiable arms control treaties would enhance the national security of the United States and are a matter of the highest priority;

Whereas significant progress has been made in the strategic arms reduction (START) talks;

Whereas the successful conclusion of the intermediate nuclear forces (INF) negotiations, the ratification in 1988 of the INF Treaty, and recent initiatives regarding conventional forces in Europe indicate a favorable climate for further progress in arms control negotiations;

Whereas President Bush repeatedly has expressed his desire to pursue vigorously a strategic arms reduction agreement;

Whereas the Congress, the American people, and America's allies and friends overwhelmingly support the efforts of President Bush to make progress in all areas of negotiation with the Soviet Union; and

Whereas the START talks resumed in Geneva, Switzerland, on June 19, 1989: Now, therefore, be it

Resolved, That the Senate hereby—

(1) expresses its full support for the commitment of the President to achieving a verifiable and stabilizing strategic nuclear arms reduction treaty with the Soviet Union in order to advance the national security interests of the United States and its allies;

(2) encourages the United States and the Soviet Union to use vigorous diplomatic efforts to resolve the outstanding issues impeding progress toward successful conclusion of a START treaty;

(3) declares that an important obstacle to the conclusion of new arms control agreements with the Soviet Union has been its violation of existing treaties, and calls upon the Soviet Union to take steps to rectify its violations of such treaties, in particular, to dismantle the radar site at Krasnoyarsk, Union of Soviet Socialist Republics, since it is a clear violation of the terms of the Anti-Ballistic Missile Treaty; and

(4) urges the President to consult closely with the Senate and with America's allies as he proceeds with the START negotiations, recognizing that consensus and unity are essential to a successful conclusion, including ratification, of a strategic arms reduction treaty.

SEC. 2. For purposes of this resolution—

(1) the term "Anti-Ballistic Missile Treaty" means the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Anti-Ballistic Missile Systems, done at Moscow on May 26, 1972; and

(2) the term "INF Treaty" means the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Elimination of Their Intermediate-Range and Shorter-Range Missiles, together with the memorandum of understanding and the two protocols thereto, done at Washington on December 8, 1987.

SEC. 3. The Secretary of State shall transmit a copy of this resolution to the President.

AMENDMENTS SUBMITTED

ACT FOR BETTER CHILD CARE

DOLE (AND OTHERS) AMENDMENT NO. 201

Mr. DOLE (for himself, Mr. PACKWOOD, Mr. DOMENICI, Mr. WILSON, Mr. DANFORTH, Mr. THURMOND, Mr. MCCONNELL, Mr. KASTEN, Mr. BOSCHWITZ, Mr. HEINZ, Mr. WARNER, Mr. GRASSLEY, Mr. GORTON, Mr. LUGAR, Mr. COATS, Mr. MURKOWSKI, Mr. LOTT, Mrs. KASSEBAUM, Mr. MCCLURE, Mr. MCCAIN, and Mr. GRAMM) proposed an amendment to amendment No. 196 proposed by Mr. MITCHELL (and others) to the bill (S. 5) to provide for a Federal program for the improvement of child care, and for other purposes, as follows:

Beginning on page 1, line 3, strike all through page 96, line 25, and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Working Family Child Care Act of 1989".

TITLE I—HEAD START ACT AUTHORIZATION

On page 97, line 1, strike "125" and insert "101".

Beginning on page 97, after line 4, strike all through page 112, line 6.

On page 158, after line 11, insert the following:

TITLE II—EARNED INCOME CREDIT

SEC. 201. INCREASE IN EARNED INCOME CREDIT.

(a) IN GENERAL.—Subsections (a) and (b) of section 32 of the Internal Revenue Code of 1986 are amended to read as follows:

"(a) ALLOWANCE OF CREDIT.—There is allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to the sum of the following amounts:

"(1) GENERAL CREDIT.—In the case of an eligible individual, an amount equal to 14 percent of so much of the earned income for the taxable year as does not exceed $5,714.

"(2) SUPPLEMENT FOR YOUNG CHILDREN.—

"(A) IN GENERAL.—In the case of an eligible individual with 1 or more qualifying children, an amount equal to the lesser of—

"(i) the applicable percentage of so much of the earned income for the taxable year as does not exceed $5,714, or

"(ii) $750 ($500 for an eligible individual with only 1 qualifying child).

"(B) APPLICABLE PERCENTAGE.—The term 'applicable percentage' means 12 percent (8 percent for an eligible individual with only 1 qualifying child).

"(b) LIMITATIONS.—

"(1) GENERAL CREDIT.—The amount of the credit allowable to a taxpayer under subsection (a)(1) for any taxable year shall be reduced (but not below zero) by 10 percent of so much of the adjusted gross income (or, if greater, the earned income) of the taxpayer for the taxable year as exceeds $9,000.

"(2) SUPPLEMENT FOR YOUNG CHILDREN.—The amount of the credit allowable to a taxpayer under subsection (a)(2) for any taxable year shall be reduced (but not below zero) by 15 percent (10 percent for an eligible individual with only 1 qualifying child) of so much of the adjusted gross income (or, if greater, the earned income) of the taxpayer for the taxable year as exceeds $10,000."

(b) QUALIFYING CHILD DEFINED.—Subsection (c) of section 32 of the Internal Revenue Code of 1986 is amended by adding at the end thereof the following new paragraph:

"(3) QUALIFYING CHILD.—The term 'qualifying child' means, for the taxable year, an individual—

"(A) with respect to whom the taxpayer qualifies as an eligible individual, and

"(B) who, as of the end of such taxable year, has not attained the age of 5."

(c) CONFORMING AMENDMENTS.—

(1) Subsection (f)(1) of section 32 of the Internal Revenue Code of 1986 is amended by inserting "(including separate tables for individuals with qualifying children)" after "Secretary".

(2) Subsection (i) of section 32 of such Code is amended—

(1) by inserting "('calendar year 1990' for 'calendar year 1987' in the case of the dollar amount referred to in clause (iii) of paragraph (2)(B))" before the period at the end of paragraph (1)(B), and

(2) by striking paragraph (2) and inserting the following new paragraph:

"(2) DEFINITIONS, ETC.—For purposes of paragraph (1)—

"(A) APPLICABLE CALENDAR YEAR.—The term 'applicable calendar year' means—

"(i) 1986 in the case of the dollar amount referred to in clause (i) of subparagraph (B),

"(ii) 1987 in the case of the dollar amount referred to in clause (ii) of subparagraph (B), and

"(iii) 1991 in the case of the dollar amount referred to in clause (iii) of subparagraph (B).

"(B) DOLLAR AMOUNTS.—The dollar amounts referred to in the subparagraph are—

"(i) the $5,714 amount contained in paragraphs (1) and (2)(A)(i) of subsection (a),

"(ii) the $9,000 amount contained in subsection (b)(1), and

"(iii) the $10,000 amount contained in subsection (b)(2)."

(3) Subsection (b) of section 3507 of such Code is amended by striking "and" at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting ", and", and by inserting after paragraph (3) the following new paragraph:

"(4) states the number of qualifying children (as defined in section 32(c)(3)) of the employee for the taxable year.".

(4) Paragraph (1) of section 3507(c) of such Code is amended—

(A) by striking "and" at the end of subparagraph (A),

(B) by redesignating subparagraph (B) as subparagraph (C), and

(C) by inserting after subparagraph (A) the following new subparagraph:

"(B) on the basis of the number of qualifying children (as defined in section 32(c)(3)) of the employee for such period, and".

(5) Paragraph (2) of section 3507(c) of such Code is amended—

(A) by striking "paragraph (1)(B)" and inserting "paragraph (1)(C)", and

(B) by striking "14 percent" in subparagraphs (B)(i) and (C)(i) and inserting "the sum of 14 percent and the applicable percentage".

(6) Section 3507 of such Code is amended by adding at the end thereof the following new subsection:

"(f) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this section."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1990.

TITLE III—DEPENDENT CARE CREDIT

SEC. 301. DEPENDENT CARE CREDIT MADE REFUNDABLE; OTHER CHANGES.

(a) CREDIT MADE REFUNDABLE.—Section 21 of the Internal Revenue Code of 1986 is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

"(f) CREDIT REFUNDABLE FOR LOW AND MODERATE INCOME TAXPAYERS.—

"(1) IN GENERAL.—For purposes of this subtitle and section 6401, in the case of an applicable taxpayer, the credit allowable under subsection (a) for any taxable year shall be treated as a credit allowable under subpart C of this part.

"(2) APPLICABLE TAXPAYER.—For purposes of this subsection, the term 'applicable taxpayer' means a taxpayer whose adjusted gross income for the taxable year does not exceed $28,000.

"(3) COORDINATION WITH ADVANCE PAYMENTS AND MINIMUM TAX.—Rules similar to the rules of subsections (g) and (h) of section 32 shall apply with respect to the portion of any credit to which this subsection applies."

(b) ADVANCE PAYMENT OF CREDIT.—

(1) IN GENERAL.—Chapter 25 of the Internal Revenue Code of 1986 is amended by inserting after section 3507 the following new section:

"SEC. 3507A. ADVANCE PAYMENT OF DEPENDENT CARE CREDIT.

"(a) GENERAL RULE.—Except as otherwise provided in this section, every employer making payment of wages with respect to whom a dependent care eligibility certificate is in effect shall, at the time of paying such wages, make an additional payment equal to such employee's dependent care advance amount.

"(b) DEPENDENT CARE ELIGIBILITY CERTIFICATE.—For purposes of this title, a dependent care eligibility certificate is a statement furnished by an employee to the employer which—

"(1) certifies that the employee will be eligible to receive the credit provided by section 21 for the taxable year,

"(2) certifies that the employee reasonably expects to be an applicable taxpayer (within the meaning of section 21(f)(2)) for the taxable year,

"(3) certifies that the employee does not have a dependent care eligibility certificate in effect for the calendar year with respect to the payment of wages by another employer,

"(4) states whether or not the employee's spouse has a dependent care eligibility certificate in effect,

"(5) states the number of qualifying individuals (as defined in section 21(b)(1)) in the household maintained by the employee, and

"(6) estimates the amount of employment-related expenses (as defined in section 21(b)(2)) for the calendar year.

For purposes of this section, a certificate shall be treated as being in effect with respect to a spouse if such a certificate will be in effect on the first status determination date following the date on which the employee furnishes the statement in question.

"(c) DEPENDENT CARE ADVANCE AMOUNT.—

"(1) IN GENERAL.—For purposes of this title, the term 'dependent care advance amount' means, with respect to any payroll period, the amount determined—

"(A) on the basis of the employee's wages from the employer for such period,

"(B) on the basis of the number of qualifying individuals (as defined in section 21(b)(1)) in the household maintained by the employee,

"(C) on the basis of the employee's estimated employment-related expenses included in the dependent care eligibility certificate, and

"(D) in accordance with tables provided by the Secretary.

"(2) ADVANCE AMOUNT TABLES.—The tables referred to in paragraph (1)(D) shall be similar in form to the tables prescribed under section 3402 and, to the maximum extent feasible, shall be coordinated with such tables and the tables prescribed under section 3507(c).

"(d) OTHER RULES.—For purposes of this section, rules similar to the rules of subsections (d) and (e) of section 3507 shall apply.

"(e) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this section."

(2) CONFORMING AMENDMENT.—The table of sections for chapter 25 of such Code is amended by adding after the item relating to section 3507 the following new item:

"Sec. 3507A. Advance payment of dependent care credit."

(c) CERTAIN SUBSIDIZED EXPENSES NOT ELIGIBLE FOR CREDIT.—Section 21(e) of the Internal Revenue Code of 1986 is amended by adding at the end of the following new paragraph:

"(10) SUBSIDIZED EXPENSES.—No expense shall be treated as an employment-related expense to the extent such expense—

"(A) is paid, reimbursed, or subsidized (whether by being disregarded for purposes of another program or otherwise) by the Federal Government, a State or local government, or any agency or instrumentality thereof, and

"(B) is not includible in the gross income of the recipient."

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in this subsection, the amendments made by this section shall apply to taxable years beginning after December 31, 1989.

(2) ADVANCE PAYMENT OF CREDIT.—The amendments made by subsection (b) shall apply to taxable years beginning after December 31, 1991.

(3) ONLY PORTION OF CREDIT REFUNDABLE IN 1990.—In the case of any taxpayer to whom section 21(f) of the Internal Revenue Code of 1986 (as added by subsection (a)) applies for any taxable year beginning in 1990—

(A) 50 percent of the amount of the credit allowable under section 21(a) of such Code for such taxable year shall be treated as a credit allowable under subpart C of part IV of subchapter A of chapter 1 of such Code, and

(B) the remaining 50 percent of the amount of such credit shall be treated as a credit allowable under section 21 of such Code.

SEC. 302. STUDY OF ADVANCE PAYMENTS.

(a) IN GENERAL.—The Comptroller General of the United States shall, in consultation with the Secretary of the Treasury, conduct a study of advance payments required by section 3507A of the Internal Revenue Code of 1986 (as added by section 201(b)(1)) to determine—

(1) the effectiveness of the advance payment system, and

(2) the manner in which such system can be implemented to alleviate administrative complexity, if any, for small business.

(c) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Comptroller shall report the results of the study conducted under subsection (a), together with any recommendations, to the Committee on Finance of the United States Senate and the Committee on Ways and Means of the House of Representatives.

SEC. 303. PROGRAM TO INCREASE PUBLIC AWARENESS.

Not later than the first day of the first calendar year following the date of the enactment of this Act, the Secretary of the Treasury and the Secretary of Labor, or the delegates of the Secretaries, shall establish a taxpayer awareness program to inform the taxpaying public of the availability of the credit for dependent care and the earned income tax credit allowed under sections 21 and 32 of the Internal Revenue Code of 1986, respectively. Such public awareness program shall be designed to assure that individuals who may be eligible are informed of the availability of such credits and filing procedures. The Secretary shall use public service and paid commercial advertising, direct-mail contact, and any other appropriate means of communication to carry out the provisions of this section.

TITLE IV—BLOCK GRANT TO STATES FOR CHILD CARE SERVICES

SEC. 401. ESTABLISHMENT OF BLOCK GRANT.

The State Dependent Care Development Grants Act (42 U.S.C. 9871 et seq.) is amended—

(1) by inserting after the subchapter designation the following:

"PART 1—DEPENDENT CARE PROGRAMS"; AND

(2) by adding at the end thereof the following new part:

"PART 2—BLOCK GRANT TO STATES FOR CHILD CARE

"SEC. 670I. AUTHORIZATION OF APPROPRIATIONS.

"For the purpose of making allotments to States to carry out the activities described in section 670L, there are authorized to be appropriated $400,000,000 for each of the fiscal years 1990 through 1994.

"SEC. 670J. ALLOTMENTS.

"(a) FORMULA.—

"(1) IN GENERAL.—The Secretary shall make an allotment to each State for each fiscal year, in an amount that bears the same ratio to the amount appropriated under section 670I for such fiscal year as the allotment figure of paragraph (2) for such State bears to the allotment figure for all States.

"(2) ALLOTMENT FIGURE.—The allotment figure for a State shall be the sum of—

"(A) the number of children who are under the age of 13 who reside in such State divided by the number of children who are under the age of 13 who reside in all States; and

"(B) the relative per capita income of the State multiplied by the factor determined under subparagraph (A) for such State.

"(3) DEFINITION.—For purposes of this section, the term 'relative per capita income' means—

"(A) the quotient of the per capita income of the United States divided by the per capita income of the State; or

"(B) in the case of Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Trust Territory of the Pacific Islands, the Commonwealth of Puerto Rico, or the Virgin Islands, the quotient shall be considered to be 1.

"(b) ADDITIONAL ALLOTMENT.—

"(1) METHOD OF ALLOTMENT.—Any amounts not allotted under subsection (a) shall be allotted among each of the States in proportion to the amount otherwise allotted to such States for such fiscal year under subsection (a).

"(2) DEFINITION.—For the purposes of this subsection, the term 'State' does not include Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

"SEC. 670K. PAYMENTS UNDER ALLOTMENTS TO STATES.

"(a) IN GENERAL.—The Secretary shall make payments from amounts made available for each fiscal year pursuant to section 670I, as provided by section 101 of title 31, United States Code, to each State in an amount (not to exceed its allotment under section 670J for such fiscal year) equal to the Federal share of the aggregate amount to be expended by the State under the State plan for such fiscal year.

"(b) FEDERAL SHARE.—The Federal share for each fiscal year shall be 85 percent.

"(c) STATE SHARE.—The State share shall equal 100 percent minus the Federal share.

"(d) CARRYOVER.—Any amount paid to a State for a fiscal year and remaining unobligated at the end of that year shall remain available, for the next fiscal year, to the State for the purposes for which the payment to the State was made.

"SEC. 670L. USE OF ALLOTMENTS.

"(a) PROJECT GRANTS.—Amounts paid to a State under section 670C shall be used by the State to make grants to eligible entities to enable such entities to conduct activities to improve the quality and availability of child care in such State.

"(b) ACTIVITIES.—Activities described under subsection (a) may include—

"(1) State and local resource and referral systems to provide information on child care services including, information on their availability, types, costs, and location;

"(2) activities to provide consumer education to enable individuals to select high quality child care services;

"(3) activities to improve the development, modification and enforcement of State and local child care standards and requirements;

"(4) training and technical assistance for child care providers and workers to improve their ability—

"(A) to comply with State and local health and safety standards and requirements;

"(B) to detect communicable diseases;

"(C) to detect and to prevent the abuse of children;

"(D) to use effective budget and accounting procedures;

"(E) to take full advantage of beneficial tax laws;

"(F) to reduce liability risks; and

"(G) to take any other actions designed to improve the quality of the child care services provided by such providers;

"(5) recruitment and training programs to increase the number of child care providers and volunteers, including the number of seniors who provide child care services;

"(6) activities to encourage the innovative development of before and after school care;

"(7) loan or grant programs for the renovation or modification of existing structures to meet State and local health and safety standards and requirements;

"(8) activities to reduce barriers to obtaining affordable liability insurance, such as the formation of child care liability risk retention groups;

"(9) activities to encourage the development of employer-assisted child care;

"(10) providing tax credits to low income working families with children, including two parent families in which one parent cares for the children of such family at home;

"(11) activities to increase child care services for children who are sick and temporarily unable to be cared for by their regular child care provider;

"(12) activities to increase the supply of child care services for children of individuals who are employed during non-traditional times of the day or week; and

"(13) activities to increase the supply of child care services to help meet the needs of special populations including children who are homeless, migrant, disabled, abused, neglected, or children of minors.

"(c) LIMITATIONS.—A State shall not use amounts paid to, or on behalf of it under section 670K to—

"(1) make cash payments to, or on behalf of, intended recipients of child care services;

"(2) pay for all or any part of the salaries of child care providers or their employees or staff or otherwise to pay for the operating costs of providing child care services;

"(3) pay for the costs of construction or land acquisition; or

"(4) satisfy any requirements for the expenditures of non-Federal funds as a condition for the receipt of Federal funds.

"(d) TECHNICAL ASSISTANCE.—The Secretary may provide technical assistance to States in planning and operating projects and activities to be carried out under this part.

"(e) STATE ADMINISTRATION.—Not to exceed 7 percent of the total amount paid to a State under section 670K for a fiscal year shall be used for administering the funds made available under such section. The State shall pay from non-Federal sources the remaining costs of administering such funds.

"SEC. 670M. APPLICATION AND STATE PLAN.

"(a) SUBMISSION.—

"(1) IN GENERAL.—To receive an allotment under section 670J, each State shall submit an application to the Secretary in such form, containing such information, and by such date as the Secretary shall require.

"(2) PLAN.—Each application submitted under paragraph (1) shall contain a plan that meets the requirements of subsection (b).

"(b) STATE PLAN.—Not later than 12 months after the date of enactment of this section, each State desiring to participate in the program authorized under this part shall prepare and submit to the Secretary a State plan. Each such plan shall—

"(1) describe the State agency that will administer the programs authorized under this part;

"(2) describe the authorized activities for which assistance is sought under this part;

"(3) provide assurances that the State will not expend in excess of 7 percent of the State allotment under section 670J during each fiscal year for administrative costs;

"(4) provide assurances that the State will give priority to activities that serve low-income areas and populations in accordance with criteria to be determined by the Secretary;

"(5) provide assurances that the State will coordinate the child care activities carried out with funds provided under this part with other Federal and State child care activities undertaken in the State through Federal or State programs;

"(6) provide such fiscal control and accounting procedures as may be necessary—

"(A) to ensure the proper accounting of Federal funds paid to the State under this subchapter; and

"(B) to ensure the verification of reports required under this subchapter; and

"(7) provide such additional assurances as the Secretary may reasonably require.

"SEC. 670N. REPORTING REQUIREMENTS.

"(a) STATE REPORTS.—Not later than 12 months after a State receives funds under this subchapter, and at 12-month intervals thereafter, the chief executive officer of such State shall prepare and submit to the Secretary, in such form as the Secretary shall prescribe, a report describing the States' use of funds received under this part.

"(b) REPORT TO CONGRESS.—Not later than 6 months after the receipt of State reports required under subsection (a), and at 12-month intervals thereafter, the Secretary shall prepare and submit, to the appropriate Committees of Congress, a report containing a summary of the information contained in the State reports submitted under subsection (a), and any additional information the Secretary considers appropriate.

"SEC. 670O. DEFINITIONS.

"As used in this part:

"(1) ELIGIBLE ENTITY—The term 'eligible entity' includes providers of child care services, and would not exclude religiously-affiliated providers.

"(2) SECRETARY.—The term 'Secretary' means the Secretary of Health and Human Services.

"(3) STATE.—The term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.".

TITLE V—TREATMENT OF CHILD CARE EARNINGS

SEC. 501. CHILD CARE EARNINGS EXCLUDED FROM WAGES AND SELF-EMPLOYMENT INCOME FOR EXCESS EARNINGS TEST.

(a) WAGES.—Section 203(f)(5)(C) of the Social Security Act (42 U.S.C. 403(f)(5)(C)) is amended—

(1) by striking out "or" at the end of clause (i),

(2) by striking out the period at the end of clause (ii) and inserting in lieu thereof ", or", and

(3) by adding at the end thereof the following new clause:

"(iii) the amount of any payment made to an employee who has attained retirement age (as defined in section 216(l)) by an employer for child care services (including indirect services) performed by such employee after the month in which such employee initially becomes entitled to insurance benefits under this title.".

(b) SELF-EMPLOYMENT INCOME.—Section 203(f)(5)(D) of such Act (42 U.S.C. 403(f)(5)(D)) is amended—

(1) by striking out "or" at the end of clause (i),

(2) by adding "or" at the end of clause (ii),

(3) by inserting immediately after clause (ii) the following new clause:

"(iii) an individual who has attained retirement age (as defined in section 216(l)) who has become entitled to insurance benefits under this title, any income attributable to child care services (including indirect services) performed after the month in which such individual becomes entitled to such benefits,", and

(4) by striking out "royalties or other income" and inserting in lieu thereof "royalties or income".

(c) PAYMENTS OF CERTAIN RECOMPUTED BENEFITS DELAYED.—Section 215(f)(2) of the Social Security Act (42 U.S.C. 415(f)(2)) is amended by adding at the end thereof the following new subparagraph:

"(E) Under regulations of the Secretary, monthly benefits increased as a result of a recomputation under this paragraph shall be further increased on an actuarial basis to include such benefits which would have otherwise been paid in a lump sum (determined from the recomputation date to the effective date of such recomputation as provided under subparagraph (D)) as exceed an amount equal to such additional benefits determined for a thirteen month period beginning from such recomputation date.".

(d) EFFECTIVE DATES.—

(1) The amendments made by subsections (a) and (b) shall apply to wages or income earned after December 31, 1989.

(2) The amendment made by subsection (c) shall apply to recomputations made after December 31, 1989.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FINANCE

Mr. DODD. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on June 21, 1989, at 10 a.m. to hold a hearing on two bills dealing with oil-spill cleanup costs, S. 771 and S. 1066.

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

SUBCOMMITTEE ON COMMUNICATIONS

Mr. DODD. Mr. President, I ask unanimous consent that the Communications Subcommittee, of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on June 21, 1989, at 9 a.m. to hold a hearing on media ownership: diversity and concentration which will focus on ownership in the cable television industry.

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

SUBCOMMITTEE ON SCIENCE, TECHNOLOGY, AND SPACE

Mr. DODD. Mr. President, I ask unanimous consent that the Subcommittee on Science, Technology, and Space, of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on June 21, 1989, at 2 p.m. to hold hearings on S. 1067, the National High-Performance Computer Technology Act of 1989.

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

SUBCOMMITTEE ON AVIATION

Mr. DODD. Mr. President, I ask unanimous consent that the Aviation Subcommittee of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on June 21, 1989, at 9:30 a.m. to hold a hearing on S. 640, the General Aviation Accident Liability Standards Act of 1989.

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

SUBCOMMITTEE ON HOUSING AND URBAN AFFAIRS

Mr. DODD. Mr. President, I ask unanimous consent that the Subcommittee on Housing and Urban Affairs of the Committee on Banking, Housing, and Urban Affairs, be authorized to meet during the session of the Senate on Wednesday, June 21, 1989, at 10 a.m. to conduct hearings on S. 566, the National Affordable Housing Act.

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

SUBCOMMITTEE ON CONSERVATION AND FORESTRY

Mr. DODD. Mr. President, I ask unanimous consent that the Subcommittee on Conservation and Forestry of the Committee on Agriculture, Nutrition, and Forestry, be authorized to meet during the session of the Senate on Wednesday, June 21, 1989, at 1:30 p.m. to hold a hearing on the sustainability of forest resources.

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

COMMITTEE ON SMALL BUSINESS

Mr. DODD. Mr. President, I ask unanimous consent that the Small Business Committee be authorized to meet during the session of the Senate on Wednesday, June 21, 1989, at 9:30 a.m. The committee will hold a hearing to examine the Enterprise Zone Program and its impact on small business growth and development.

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

COMMITTEE ON ARMED SERVICES

Mr. DODD. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Wednesday, June 21, 1989, at 9:30 a.m. in open session to receive testimony on the ICBM modernization program in review of S. 1085, the Department of Defense authorization bill for fiscal years 1990-91.

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

SUBCOMMITTEE ON ENVIRONMENTAL PROTECTION

Mr. DODD. Mr. President, I ask unanimous consent that the Subcommittee on Environmental Protection, Committee on Environment and Public Works, be authorized to meet during the session of the Senate on Wednesday, June 21, beginning at 10 a.m., to conduct a hearing on S. 1113, the Waste Minimization and Control Act of 1989; and S. 1112 the Municipal Solid Waste and Source Reduction and Recycling Act of 1989.

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

SUBCOMMITTEE ON IMMIGRATION AND REFUGEE AFFAIRS

Mr. DODD. Mr. President, I ask unanimous consent that the Subcommittee on Immigration and Refugee Affairs, of the Committee on the Judiciary, be authorized to meet during the session of the Senate on Wednesday, June 21, 1989, at 10:30 a.m., to hold a hearing on Central American migration to the United States.

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

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. DODD. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Wednesday, June 21, at 9:30 a.m., on the subject of "averting alcohol abuse," new directions in prevention policy.

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

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS, AND FORESTS

Mr. DODD. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on June 21, 1989, at 2 p.m. for a hearing to receive testimony on S. 558, to authorize a study on methods to protect and interpret the internationally significant Lechuguilla Cave at Carlsbad Caverns National Park in the State of New Mexico; S. 560, to direct the Secretary of the Interior to conduct a study of certain historic military forts in the State of New Mexico; S. 818, to authorize a study on methods to pay tribute to the late Senator Clinton P. Anderson of New Mexico for his significant contributions to the establishment of a National Wilderness System; S. 855, to direct the Secretary of the Interior to establish a Cave Research Institute at Carlsbad Caverns National Park; S. 940, to designate segments of the East Fork of the Jemez River and of the Pecos River as components of the National Wild and Scenic Rivers System; and S. 963, to authorize a study on methods to commemorate the nationally significant highway know as route 66, and for other purposes

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

ADDITIONAL STATEMENTS

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 35, PARAGRAPH 4, PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

● Mr. HEFLIN. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35 for Charles G. Pearcy, a member of the staff of Senator LOTT, to participate in a program in West Germany, sponsored by the Hanns Seidel Foundation, from June 27 to July 5, 1989.

The committee has determined that participation by Mr. Pearcy in the program in West Germany, at the expense of the Hanns Seidel Foundation, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Ms. Sally Susman, a member of the staff of the Committee on Commerce, Science, and Transportation, chaired by Senator HOLLINGS, to participate in a program in the People's Republic of China, sponsored by the Chinese People's Institute of Foreign Affairs, from June 23 through July 8, 1989.

The committee has determined that participation by Ms. Susman in the program in China, at the expense of the Chinese People's Institute of Foreign Affairs, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Robert Soofer, a member of the staff of Senator GORTON, to participate in a program in West Germany, sponsored by the Hanns Seidel Foundation, from June 27 to July 5, 1989.

The committee has determined that participation by Mr. Soofer in the program in West Germany, at the expense of the Hanns Seidel Foundation, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Lawrence M. Lesser, a member of the staff of Senator LOTT, to participate in a program in Taiwan, sponsored by Soochow University, from July 1 to 9, 1989.

The committee has determined that participation by Mr. Lesser in the program in Taiwan, at the expense of Soochow University, is in the interest of the Senate and the United States.●

MINOR LEAGUE FOOTBALL HALL OF FAME

● Mr. DURENBERGER. Mr. President, last week in Elmhurst, IL, the American Football Association inducted 1988 and 1989 members into the Minor League Football Hall of Fame, saluting 23 men who quietly, in their own way, gave their energy, spirit and enthusiasm to communities across the country. While not in the limelight, these men contributed significantly to the building of character and represent others across the country who many never appear on the front page of any newspaper. Yet, they play a most important role.

As my colleagues may know, I understand the value of sports in the development of many fine men and women through my father—who served as a university athletic director for many years.

I feel fortunate to be personally acquainted with one inductee—Sol Rosen—whose family I have known for many years. I am aware of the significant contribution he made through his work as a player, coach, general manager and commissioner. His 45 years of effort left a lasting impact on thousands of people.

I salute his commitment and efforts and congratulate the entire 1988 and 1989 class for their accomplishments. Mr. President, I submit for the RECORD the list of all inductees.

The list of inductees follows:

HALL OF FAME CLASS OF 1988

Terry Judkins,
Dick Suess,
Mike Herr,
Barry Walters,
Joseph Mason,
Jim Nugent,
Ed O'Reilly,
Bob Herstine,
Stu McLean,
Bob Engle,
Sol Rosen,
Cal Lepore,
Bob Oats, Jr.,
Kurt Kampendahl,
John Olenchalk,
Bill Walsh,
Averril Harris,
John Smith,
Garo Yepreiam,
Sam Wyche, and
Fank Bonk.

HALL OF FAME CLASS OF 1989

Lou Policastro, Jr.,
Farnk Yanik,
Pearce Johnston,
Lee Albrecht,
Joe Cronin,
Rudy Nebel,
Rod "Lung" McKinzie,
Tom Anthony,
Greg Johnston, and
Woody Peoples.●

COMMENDING TRUMBULL AND SOUTHINGTON HIGH SCHOOLS RELATIVE TO NATIONAL BICENTENNIAL COMPETITION

● Mr. DODD. Mr. President, it gives me great pleasure to extend my congratulations to two Connecticut schools, Trumbull and Southington High, for their outstanding performances in the National Bicentennial Competition on the Constitution and the Bill of Rights.

The National Bicentennial Competition provides high school students with a 6-week instructional program designed to cultivate an understanding of the fundamental principles of our constitutional democracy and the history of its development. Following this instruction, a competition takes place in which entire classes compete as teams to determine congressional district, State, and national winners.

Following weeks of intensive study and preparation, the students of Trumbull High School placed among the top 10 schools in the Nation at last year's competition. That event was especially exciting because it was the first national level competition. This year, Southington High School was curriculum unit winner, bringing national distinction to Connecticut schools for the second year in a row. The consistent hard work and dedication of these students, their teachers, and program coordinators is a source of great pride and inspiration.

I ask my colleagues to join me in applauding both Trumbull and Southington High Schools for their superlative efforts.●

THE CHINESE EXECUTIONS

● Mr. KERRY. Mr. President, the tragic events in China have captured the attention of the world. Everyone who values freedom and democracy has been shocked and dismayed as the Chinese Government rounds up its citizens, expels journalists, and in statements reminiscent of George Orwell's novel, "1984," informs the world that no one was killed in Tiananmen Square.

I am particularly outraged by the recent Government executions of three student leaders, who were guilty of nothing more than working for a more open and just society. The Chinese Government has committed a barbarous act and must be held accountable for its actions. I am hopeful that the United States and other democratic governments will join together in strongly condemning these killings.

I also believe that the President must convey to the Chinese leaders that the future of United States-Chinese relations has been thrown into jeopardy by these despicable deeds. Despite our desire for close relations

with the Chinese people, we can no longer maintain a close economic relationship with a nation whose government lacks respect for such fundamental human rights. The leaders of the Chinese Government, old, tired, and out of touch with their own people's vision of the future, have in a matter of weeks, destroyed the steady progress toward a sound relationship between our countries that had been building over the last two decades.

Mr. President, no one has suffered more than the Chinese people during these past 3 weeks. But the American people have also suffered two great tragedies as a result of the events in Tiananmen Square: First, the loss of life of young people who sought to be free and who we had come to greatly admire; and second, a heartbreaking halt in the march toward a close, cooperative, and peaceful relationship between the people of China and the people of the United States.●

CHALLENGER ELEMENTARY SCHOOL

● Mr. RIEGLE. Mr. President, I rise today to pay tribute to the Kentwood Public School system in Grand Rapids, MI. The school system is celebrating the ground breaking of their newest school, the Challenger Elementary School. This is the first school in the Nation to be named after the space shuttle *Challenger.*

During my 22 years in Congress, I have witnessed many historical events, but few have touched me as deeply as the events surrounding the accident of the space shuttle *Challenger.* The memory of that terrible moment is indelibly etched in my mind. Together with the shock and sadness of that event however, there is also inspiration. We have all been moved by the courage and vision of the astronauts who gave so much of themselves to advance science and those who continue to carry our Space Program forward.

As the chairman of the Senate Science, Technology and Space Subcommittee, which has jurisdiction over NASA programs, I had the opportunity to see, firsthand, the challenges faced by the U.S. Space Program. Today, more than ever before, it is important that America has a strong and visible presence in space. The *Challenger* accident has taught us that we cannot take our space program for granted. We must be committed as a nation to move forward with aggressive exploration and program development, while taking every step needed to protect the safety of our astronauts.

Our Space Program has, for more than 20 years now, been a vital element in increasing the breadth of our knowledge and understanding. Generations of children have been inspired by space flight and exploration. Many have gone on to become the pioneers in space technology. The children of today deserve to share that inspiration; to dream about flying to the Moon, or to the planets. Teachers, who have always had a special bond with space exploration, help fuel the students' desire for learning, just as Christa McAuliffe challenged her students to learn more about the world we live in. Her special memory will live on in the hearts and minds of all of us. I know she would tell us to continue to push forward in our quest for knowledge.

There are many signs that the spirit of the *Challenger* lives on across the country. The dedication of the Challenger Elementary School is a fitting tribute, not only to the seven *Challenger* crew members, but to the entire U.S. Space Program.

As community leaders, administrators, teachers, parents, and students gather to mark this special occasion and embark on their new mission, let it encourage all of us to dare to reach for the stars.●

A RAY OF HOPE IN THE WEST BANK

● Mr. DECONCINI. Mr. President, during my meetings with Arab leaders on my recent trip to the Middle East, May 19-30, where I visited Syria, Saudi Arabia, Bahrain, Oman, Kuwait, Egypt, and Israel, I was repeatedly told that in renouncing terrorism and recognizing Israel's right to exist, PLO Chairman Yassir Arafat had taken 10 steps forward to the 1 step Prime Minister Shamir had taken with his peace initiative for the West Bank and Gaza Strip. Israeli officials with whom I met, however, characterized Shamir's proposal as a dramatic action, surpassing many of the efforts of previous leaders. Regardless of the number of steps taken in the eyes of one group or another, the journey of a thousand miles—achieving peace in this troubled region of the world—has begun.

This journey, however, will be a long and arduous one. As I traveled throughout the countries of the Middle East, I was encouraged by the words I heard and by the glimpses I caught of ingredients for a potential peace. At the same time, I continued to be dismayed by the posturing and lack of vision displayed by the leaders of various Arab countries. I heard many say that their countries had "implicitly" recognized Israel and acknowledged its existence. But no one was willing to say that he would "say the words" publicly.

Why is it unreasonable to ask Arab countries to recognize Israel? Of the leaders I spoke with all but one acknowledges that Israel is going to remain where it is. There may be disagreements as to boundaries but, surely, no one really believes Israel is going to disappear, or for that matter be defeated militarily. I think the latter point has been made very clear by past military engagements.

Leadership involves taking bold initiatives and sometimes means taking risks to achieve a visionary goal. Menachem Begin and Anwar Sadat were two of the region's most visionary leaders. These longtime enemies desired peace for their countries and took the risks to achieve it. Ultimately, Mr. Sadat paid with his life by gambling for peace, but his country and the region have been the better for his actions.

President Mubarak and subsequent Israeli leaders have maintained their commitment to the Camp David agreement. President Mubarak has had to withstand great pressure from his Arab League associates and only recently was he accepted back into the league after 10 years of exile. He gave up nothing in return and was able to hold his head high with pride for his country and with peace for his people.

Similarly, Prime Minister Yitzhak Shamir has taken a domestic political risk in coming forth with his peace initiative. As I told the leaders with whom I met, when the Prime Minister was in Washington earlier this year, a number of my colleagues and I, all of us strong friends of Israel, told him that he had to do something about the violence in the territories and the human rights violations by the Israeli Government in attempting to stem the Intifada. He did not take kindly to these comments. In the past, he has vowed that he would never allow elections in the occupied territories. Yet, he ultimately proposed an initiative in April which calls for elections as well as three other proposals.

Charitably, one could even say that Yasser Arafat has taken some risks by his recent actions. I have strongly opposed Mr. Arafat. He is a proven terrorist with the blood of Americans on his hands. I do not trust what he says and I abhor the tactics he has used in attempting to achieve his goals.

In December, however, after many protracted negotiations, Mr. Arafat said the words that the United States had been urging him to say for years. He renounced terrorism. He recognized the State of Israel and its right to exist. While I had doubts, he met the conditions established by the United States. I supported the Reagan administration when it began the U.S. dialog with him.

Has Palestinian Liberation Organization terrorism ceased? No. Has the Intifada stopped now that the United States has entered into a dialog with Mr. Arafat? Unfortunately, no. When I met with various Palestinians in the occupied territories last month, I asked them who they felt was their representative. They responded that

the PLO and Yasser Arafat represented their views.

It is understandable for a group of people to want a person they can point to and say that "he represents me." This is especially true if the group has few opportunities for representation among other groups. It is another matter, however, when that representative is not in control of the situation which he or she claims to control or represent. Just as Jesse Jackson and Ronald Reagan are not the "sole, legitimate" representatives of the Democratic and Republican Parties, respectively, so Yasser Arafat and the PLO cannot be the "sole, legitimate representatives of the Palestinian people." If he were the one, true representative, Mr. Arafat could bring an end to the Intifada as a demonstration of his sincerity in desiring peace with Israel.

If the terrorist activities against Israel continue, the statements regarding a cessation of terrorism by the "sole representative" notwithstanding, at what point will the United States say enough is enough and call for an end to the U.S.-PLO dialog?

At best, Mr. Arafat represents but one of many factions which in their entirety encompass the Palestinian people. The Intifada, however, arose from within the Palestinians in the occupied territories. It is only wholly controlled by the PLO. Rather, it is fed from the frustrations of a voiceless people and is guided and financed by many outside sources. I am, therefore, in agreement with Prime Minister Shamir and others in Israel who say that the PLO, the perpetrator of violence and death in the Middle East and around the world, should be excluded from the elections process unless and until it renounces terrorism and violence within the borders of Israel and beyond in deed as well as word.

The Shamir peace initiative, however, deserves further exploration and support. The initiative is not an end in and of itself, but is the beginning of the process from which peace for the region may be achieved.

It is a four-point initiative, only one point of which involves elections in the occupied territories. The initiative deserves to be viewed in its entirety. The first point calls for a continuation and strengthening of the Camp David peace accord with Egypt and an expansion of relations between Israel and Egypt.

The second point restates the need for Arab nations to recognize Israel's right to exist as an independent country which will remain in the region. This would naturally include an end to the attempts by Arab countries to expel Israel from the United Nations and an end to the Arab economic boycott of Israel.

The third point involves the humanitarian need to obtain international financial assistance to rehabilitate and properly house the thousands of people in the refugee camps in the occupied territories.

The final point in the initiative is the call for elections among the Palestinians in the occupied territories to begin municipal self-representation and to determine who will act as negotiators with the Israeli Government for a permanent settlement for the area.

The fact that a man who has strenuously opposed elections for many years, and who voted against the Camp David agreement, has now come forward with a proposal in the face of political pressure and severe dissent from certain elements in his own party is a fact not to be taken lightly. Many legitimate questions remain to be fleshed out by the Israeli Government before the residents of the occupied territories will accede to the election strategy. However, for "meat" to be put on the "bones" of the initiative, the Palestinians must step forward with their own suggestions or counterproposal. Again, Mr. Arafat alone cannot be the sole negotiator for the Palestinians.

It is understandable that the Palestinians hesitate to respond. Many remember the outcome of the last elections in 1976. After electing people to represent the Palestinians in the West Bank and Gaza, many mayors and other officials were forced out of office, jailed, or otherwise removed from their positions. Many who have attempted to enter into discussions with Israeli authorities have been branded and accused of being collaborators; some have been assassinated and many others were being intimidated. If Mr. Arafat really represents the PLO, let him stop such actions. Let him or his representatives offer to come forward with Palestinians from the West Bank and Gaza to discuss the election process as set out by Shamir.

There is an overwhelming sense of distrust on both sides about the intentions of the other. The Israelis feel threatened by the Intifada and the violence against the settlers in the territories. The Palestinians, frustrated by what they feel is the excessive use of force by an occupying entity, are deeply suspicious of anything proposed by the Israel Government. Added to this explosive mix is the increase in vigilante activity on the part of the Israeli settlers in the territories. They have begun taking the law into their own hands because they feel their own Government is not doing enough to protect them. The result is many innocent dead, and many more injured and crippled, Palestinian and Israeli men, women, and children.

If the Arab States really want to help their Palestinian brothers, they will stop their financial support for the Intifada and will recognize Israel's right to exist—that is a subject which must be decided over time—but they must publicly state that Israel is a nation which will remain in the region. Also, both sides can do more to stem the increase in human rights violations and violence in the West Bank and Gaza. Self-patrol of one's actions can do much to protect violence.

For its part, Israel should begin defining what it means by free, democratic, and secret elections. Some of the Palestinians with whom I spoke said they would like to see the elections run like those in the United States. They would like to be able to run under whatever party or affiliation they chose and to be able to choose their own colors, flags, and banners. Israel, However, will not allow the PLO—its colors, flag, or name—to be shown in the occupied territories. I think Israel must rethink these positions if they are really talking about free and fair elections. Means must be found for the Palestinians to express themselves and their identity.

I understand their desire for expression and I support free and fair elections. I would caution, however, that when one speaks of U.S.-style elections, one speaks of a pluralistic system. In this country, we allow many parties and voices to be heard. This would mean that voices other than the PLO's would have to be heard in the West Bank and Gaza. This would also mean that the threats and intimidation used against those Palestinians who work for peace independent of the PLO must cease. This would mean that Palestinians other than just the PLO would be able to run in the elections. If the PLO is so powerful, maybe it can guarantee a pluralistic election in which any and all can participate.

I support the Shamir peace initiative. I recognize that it is a first step, but it is a significant step. I recognize the enormous domestic political difficulties which face Prime Minister Sharmir, his party, and his country. As a democratic nation, however, Israel has the resilience to undergo these stresses and emerge stronger for the process.

I challenge the Palestinians and the Arab nations to respond to the peace initiative. While not accepting the proposal, I am pleased that the Arab League, meeting in Casablanca, did not reject it outright. It is my strong impression that Egypt's President Mubarak took the lead in getting the league not to reject the proposal. He deserves the credit and support of the United States and Israel for his efforts. I feel the Arab nations can go

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further by adding to the dialog and bringing forth proposals of their own.

Egypt has already demonstrated a willingness to act as an interlocutor and to begin the search for common ground. I share the views expressed to me by Prime Minister Shamir that now may be the ideal time for Jordan to become reengaged in the peace process. Positive movement on the part of Egypt and Jordan would perhaps bring other Arab States into the process and help facilitate the dialog.

The Palestinians in the occupied territories can do the same by working amongst themselves to develop their own proposals. The stakes are high, but if the Palestinian people are sincere in their desire for independence, they must make their bid without the full knowledge or approval of other key players. The Israeli Government has anted up, now the Palestinians must do the same.

As for Mr. Arafat and the PLO, they are also players in this game. They do not and should not, however, hold all of the Palestinian cards. They have voiced some things that the West has long waited to hear. The violence, however, continues, as does the intimidation and the Intifada. While it was an indigenous movement on the part of the Palestinians within the occupied territories, the PLO has attempted to claim the Intifada as its own. If it truly were the PLO's, then Mr. Arafat could call a halt to it and demonstrate through his actions his desire for peace. If he were the "sole, legitimate representative of the Palestinian people," then he could end the violence. This is obviously not the case; he is a player with whom the United States and others must contend until the Palestinian people come forward with their suggestions on how Israel can flesh out its initiative and work together with them for a permanent solution to the situation in this troubled part of the world.

Change is difficult. Compromise between enemies of long standing may seem impossible; however, I believe a ray of hope exists and if the leaders of the Arab States, the Palestinian leaders, and the leaders of Israel work toward the long-term needs of their peoples, they will begin the task of seeking peace for the well-being of their peoples. Let us begin to travel the difficult road toward reconciliation.●

CAMP ARROWHEAD TO CELEBRATE 65TH ANNIVERSARY

● Mr. DANFORTH. Mr. President, I am pleased to pay tribute to an organization that has prepared young men for leadership and service for more than six decades. Camp Arrowhead near Marshfield, MO, is the oldest Boy Scout Council camp west of the Mississippi River. On June 24, Camp Arrowhead will celebrate its 65th anniversary of service to young people.

My colleagues are aware of the good work done by Boy Scout camps such as Camp Arrowhead. Scouting teaches skills that young men would be unable to acquire anywhere else. The benefits provided by Scout camps go far beyond learning to build a campfire or pitch a tent. Camping also teaches self-reliance, leadership, and group effort and instills character. As our Nation moves into the future, institutions such as the Boy Scouts will be working to assure that tomorrow's leaders are ready to meet the challenge of moving America in the right direction.

Of particular interest, on the 65th anniversary of Camp Arrowhead, is the decision of the Ozarks Council of the Boy Scouts to honor Dr. Durward G. Hall, former Member of the House of Representatives, with the Distinguished Citizen Award. Dr. Hall, long a champion of Scouting, is recognized for his contributions as a civic leader, Member of Congress, physician, and a key figure in the development of Camp Arrowhead. Dr. Hall has given freely of his time over many years, including service as a camp director at Camp Arrowhead. Today, Dr. Hall serves as honorary chairman of the capital campaign to refurbish Camp Arrowhead and is a member of the board of regents of the National Eagle Scout Association.

It is a special pleasure to extend congratulations to a friend, Durward Hall, and to express appreciation for his efforts on behalf of the young men who have gained so much from being Boy Scouts. I recognize and commend the good work of Camp Arrowhead as it completes 65 years of service, and begins its next 65 years of helping Boy Scouts to become responsible adults and good citizens of this great Nation.●

CHILD CARE IMPROVEMENT ACT

● Mr. COATS. Mr. President, I ask to have printed in the RECORD a letter opposing the Mitchell substitute from the National Association of Evangelicals and an article by Phyllis Schafly entitled "Will Congress Wipe Out Religious Day Care."

Provisions in the ABC discriminate against day-care centers which provide religious values and instruction. Legislation should not limit the right of parents to select the type of child care they deem most appropriate for their children, including services provided by religious organizations. Discrimination against parents with religious commitments, whose faith compels them to choose religious day care, is not the intent of the Constitution. The Government should not dictate where our children receive care and should not discourage religious organizations from providing quality child care.

The material follows:

[From the National Association of Evangelicals]

PROBLEMS FOR RELIGIOUS CHILD CARE IN THE REVISED ABC BILL OR "MITCHELL AMENDMENT"

The "ABC" child care bill (S.5) now nearing a vote in the Senate, originally excluded from assistance families who choose day care with religious activity. The revised bill (Mitchell Amendment) prohibits assistance to "sectarian activity" except where the means of assistance may be "child care certificates to parents", redeemable with "eligible child care providers". This exception is heralded as solving the problems of discrimination against parents who choose religious care. It does not. In particular:

1. "Eligible child care providers" must be licensed or regulated under state law". In quite a number of states, church-based day care is exempt from regulation. Parents in these states would be denied the religious choice in using certificates under ABC.

2. The dismayingly complex and ambiguous provisions appear to require that a state, to participate in the federal funding, must impose regulation on all day care providers—thus tending to coerce state regulation of church-based child care centers in states where they are now exempt, whether or not such centers receive any assistance.

3. According to the Department of Justice, as a consequence of child care certificate use (or other aid) "all child care centers . . . and any affiliated religious organizations like churches and synagogues, would be subject to the strictures of the Civil Rights Restoration Act of 1988." Any selectivity in employment practice or dealing with children based on religious or moral considerations could subject day care center and church to both the CCRA (Grove City Bill) and a number of additional discrimination strictures which appear in the ABC bill or might be added by HHS regulations. The Department foresees "officious government intervention in the private affairs of churches."

4. The ABC bill does not provide working guides of permissible use of child care certificates in religious day care, but instead literally invites court litigation to provide the working rules with a declaration that "assistance . . . shall not be expended in a manner inconsistent with the Constitution," and the addition of a severability clause to keep the rest of the bill moving if the certificate process is held up in litigation.

5. There is no requirement that any of the billions authorized be channeled to the "child care certificate" process where the choice of religious day care is to be available to parents. The states are free to limit or omit this channel, and the litigation potential will increase their past reluctance to use such vouchers or certificates.

The vast regime of subsidies and regulation in the ABC bill must be avoided, and replaced by a non-discriminatory tax credit approach, using the principles of the Administration proposal.

WILL CONGRESS WIPE OUT RELIGIOUS DAYCARE?

(By Phyllis Schlafly)

It is difficult to escape the conclusion that one major purpose of most of the daycare bills pending in Congress is to prevent all preschool children from being subject to

any religious influence. Any federal legislation that would give grants for daycare would have that effect, and there is no way to "fix" the religious daycare problem so long as grants of federal money are involved.

The original Dodd ABC daycare bill last year in Sections 20 and 21 contained some of the most virulently anti-religious language ever seen in any proposed legislation. The bill's advocates softened some of the language this year, but they did not diminish the problem at all.

The problem is explained in a 12-page Department of Justice opinion dated May 4, 1989 which concludes that the ABC bill would impose on all religious daycare "clear litigation risks" and "oppressive government oversight." If a church ever receives any benefit from the bill, it would suffer "far-reaching, officious government intervention in the private affairs of churches," and if it rejects all benefits, the religious daycare facility will be regulated anyway.

Translated into laymen's usage, this means, "Little church offering daycare, beware! If the daycare bill passes, your church will be inspected, regulated and harassed regardless of whether or not you get any benefits."

While the Justice Department's opinion was addressed specifically to the Dodd ABC bill, all the other pending bills that would give any "grants" or "certificates" for daycare would have the same effect. There is just no way out of the religious daycare dilemma.

Church-run daycare would most likely be barred from all benefits under the bills because, if the facility does anything at all religious (such as saying grace before milk and cookies), it would be deemed "pervasively sectarian" by the bureaucracy and the courts. Even if the church-based daycare were not ruled "pervasively sectarian," it probably would be barred from participation because the courts would hold that the continual monitoring of the center would result in an unacceptable church-state "entanglement."

Even if the church-based daycare sanitized itself of everything religious (i.e., prohibited Bible stories and grace before meals, covered up the cross on the wall, and stopped hiring caretakers of its own denomination) and accepted government monitoring to assure that it remained scrupulously secular, the acceptance of one dollar of federal money under any form (including "certificates") would make the daycare facility AND its affiliated church or synagogue subject to the Civil Rights Restoration Act (the Grove City Act). This would bring the church under the full force of Section 504 of the Rehabilitation Act of 1973, Section 309 of the Age Discrimination Act of 1975, Title VI of the Civil Rights Act of 1964, and Title IX of the Education Amendments of 1972.

Even more significant, regardless of how faithfully the church-based daycare center purged itself of everything religious, the Justice Department predicts that these centers "would probably be the targets of endless litigation in which their policies and practices would be questioned and second guessed." In defending themselves against such suits, church daycare would be forced to produce personnel records, expense records, and memoranda on private conversations between daycare personnel and church officials.

No wonder the Justice Department concluded that "whatever benefits religiously affiliated child care providers might receive could well be far outweighed by the financial costs and administrative burdens of compliance." But that's still not the worst of it.

Many states (especially in the south) now exempt church-operated daycare from state regulation and licensure, under the theory that religious daycare is a kind of Sunday school on weekdays. The Dodd ABC bill, however, would require state governments to impose all licensing and regulatory requirements (including registration requirements) "uniformly on all child care providers."

So, religious daycare which is now exempt from licensing would be ferreted out and forced into the government's regulatory scheme. Since religious daycare predominantly serves the poor in urban areas, the net result of these bills would be to reduce services and raise costs for those least able to afford them, as well as massively discriminate against those who choose to have some religious influences on their preschool children.

There is only one approach to the child care problem that avoids all these issues: Don't give any federal "grants" or "certificates"; instead give every preschool child a tax credit on his parents' income tax so that the parents can spend their own money in their sole discretion just like an income tax refund.

Then parents will be able to choose religious or secular, family or institutional child care, as they wish.●

DEFENSE SPENDING

● Mr. BOSCHWITZ. Mr. President, I would like to draw my colleagues' attention to some very welcome and encouraging news about defense spending. Today's Washington Post reports that the House Armed Services Subcommittee on Procurement voted yesterday to approve Defense Secretary Richard B. Cheney's $69 billion weapon procurement budget intact, breaking with the unfortunate political custom of "porking out" the budget with billions of dollars' worth of so-called add-ons and plus-ups.

The importance of this vote cannot be underestimated. I pointed to the magnitude of defense spending waste when I offered an amendment to the 1989 Defense appropriations bill, which would have cut $1.7 billion in add-ons—items which the Pentagon did not even ask for. In addition, Congress appropriated some $4.8 billion more than the Defense Department requested for certain programs. I know that Minnesotans are concerned that—given our current budget situation—we get the most bang for the buck out of our defense budget. We must resist the urge to micromanage the Pentagon or to trade national security for pork barrel politics. This subcommittee vote is a first step toward meeting those challenges.

Of course, the process is a long one. The procurement budget has yet to go before the full House Armed Services Committee, and it will be a long journey through the authorization and appropriations process. The narrowness of the House Subcommittee vote, 10 to 9, demonstrates what a perilous journey it will be.

I commend the House Subcommittee on Procurement on its efforts to keep the Defense budget from looking like, to quote the Post, "a Christmas tree decorated with projects dear to various congressional districts." In a time of tightening budgets, we can no longer afford defense spending to be ruled by parochial interests. It is time for Congress to fashion a defense budget based on our national security needs, not our local political interests.●

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the following nominations:

Calendar 180. Jeffrey N. Shane to be an Assistant Secretary of Transportation;

Calendar 181. Kate L. Moore to be an Assistant Secretary of Transportation;

Calendar 182. Fred S. Golove to be a permanent commissioned officer in the Coast Guard Reserve;

Calendar 185. Thomas J. Murrin to be Deputy Secretary of Commerce;

Calendar 186. Susan C. Schwab to be an Assistant Secretary of Commerce and Director General of the United States and Foreign Commercial Service;

Calendar 187. Eddie F. Brown to be an Assistant Secretary of the Interior;

Calendar 189. Morton I. Abramowitz to be Ambassador to Turkey;

Calendar 190. Melvyn Levitsky to be an Assistant Secretary of State for International Narcotics Matters;

Calendar 191. Thomas Niles to be the Representative of the United States of America to the European Communities;

Calendar 192. Richard H. Solomon to be an Assistant Secretary of State;

Calendar 193. Jewel S. Lafontant to be U.S. Coordinator for Refugee Affairs;

Calendar 194. Edward N. Ney to be Ambassador to Canada;

Calendar 195. Robert D. Orr to be Ambassador to the Republic of Singapore;

Calendar 197. Fred M. Zeder II, to be President of the Overseas Private Investment Corporation;

Calendar 198. Mark L. Edelman to be Deputy Administrator of the Agency for International Development;

Calendar 199. E. Patrick Coady to be United States Executive Director of

the International Bank for Reconstruction and Development; and

Nominations placed on the Secretary's desk in the Coast Guard and Public Health Service.

I further ask unanimous consent that the nominees be confirmed, en bloc, that any statements appear as if read in the RECORD, that the motions to reconsider be tabled, en bloc, that the President be notified of the Senate's action, and that the Senate return to legislative session.

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

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF TRANSPORTATION

Jeffrey Neil Shane, of the District of Columbia, to be an Assistant Secretary of Transportation.

Kate Leader Moore, of the District of Columbia, to be an Assistant Secretary of Transportation.

IN THE COAST GUARD

Pursuant to the provisions of 14 U.S.C. 729, the following-named captain of the Coast Guard Reserve to be a permanent commissioned officer in the Coast Guard Reserve in the grade of rear admiral (lower half): Fred S. Golove.

DEPARTMENT OF COMMERCE

Thomas Joseph Murrin, of Pennsylvania, to be Deputy Secretary of Commerce.

Susan Carol Schwab, of Maryland, to be Assistant Secretary of Commerce and Director General of the United States and Foreign Commercial Service.

DEPARTMENT OF THE INTERIOR

Eddie F. Brown, of Arizona, to be an Assistant Secretary of the Interior.

DEPARTMENT OF STATE

Morton I. Abramowitz, of the District of Columbia, a career member of the Senior Foreign Service, class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Turkey.

Melvyn Levitsky, of Maryland, to be Assistant Secretary of State for International Narcotics Matters.

Thomas Michael Tolliver Niles, of the District of Columbia, a career member of the Senior Foreign Service, class of Career Minister, to be the Representative of the United States of America to the European Communities, with the rank and status of Ambassador Extraordinary and Plenipotentiary.

Richard H. Solomon, of the District of Columbia, to be an Assistant Secretary of State.

Jewel S. Lafontant, of Illinois, to be United States Coordinator for Refugee Affairs and Ambassador-at-Large while serving in this position.

Edward N. Ney, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Canada.

Robert D. Orr, of Indiana, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Singapore.

U.S. INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

Fred M. Zeder II, of New York, to be President of the Overseas Private Investment Corporation.

Mark L. Edelman, of Missouri, to be Deputy Administrator of the Agency for International Development.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

E. Patrick Coady, of Virginia, to be U.S. Executive Director of the International Bank for Reconstruction and Development for a term of 2 years.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE COAST GUARD, PUBLIC HEALTH SERVICE

Coast Guard nominations beginning Cyrus J. Scott, and ending Lucille T. Laliberte, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 6, 1989.

Public Health Service nominations beginning Kenneth L. Brooks, and ending Andrew L. Olnes, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 9, 1989.

Public Health Service nominations beginning Bruce A. Chabner, and ending Gary W. Blair, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of May 17, 1989.

Public Health Service nominations beginning Thomas R. Bender, and ending George E. Foley III, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of May 17, 1989.

STATEMENT ON THE NOMINATION OF DR. EDDIE F. BROWN

Mr. INOUYE. Mr. President, I rise today in support of Senate confirmation of the nomination of Dr. Eddie F. Brown as Assistant Secretary for Indian Affairs, U.S. Department of the Interior. As chairman of the Select Committee on Indian Affairs, I was pleased to conduct a hearing yesterday on Dr. Brown's nomination and to receive testimony from the nominee regarding his interest and concern for Indian people.

Dr. Brown was born in Ajo, AZ, in 1945, and received degrees from Brigham Young University and the University of Utah, including a doctorate in social work. He served as director of the United Council on Urban Affairs in Salt Lake City in 1972 and was appointed that same year to the faculty of the University of Utah. From there, Dr. Brown went to the Arizona State University where he was associate professor in the Graduate School of Social Work.

In 1979, Dr. Brown became assistant director of the Office of Intergovernmental Operations for the Arizona Department of Economic Security. From February 1985 to August 1988, Dr. Brown was chief of the Division of Social Services for the Bureau of Indian Affairs at the U.S. Department of the Interior. In January 1987, Dr. Brown was appointed director of the Arizona Department of Economic Security, that State's largest government agency, with 7,000 employees, 125 field offices, and an annual budget of over $1 billion. As an enrolled member of the Pascua Yaqui Indian Tribe of Arizona, Dr. Brown was the first American Indian to head a major department in the State of Arizona.

Because of his Indian heritage and unique qualifications, Dr. Brown will be an excellent Assistant Secretary to direct the work of the Bureau of Indian Affairs and other agencies in the Department of the Interior. I ask that Dr. Brown's oral testimony, transcribed from yesterday's hearing, be printed in the RECORD immediately following my remarks. I believe this testimony shows the sincere concern and unique understanding that Dr. Brown will bring to this very important position. Dr. Brown speaks of self-determination, the trust responsibility, the sovereignty of Indian tribes, and the government-to-government relationship that we in the Congress and those in the executive branch of the Federal Government need to appreciate and comprehend in order to meet our trust obligations to the American Indian people.

I respectfully request that my Senate colleagues join me in supporting the confirmation of Dr. Eddie F. Brown to be the Government's leading spokesperson for Indian issues as we move into the last decade of this century.

PRESENTATION OF STATEMENT BEFORE THE SENATE SELECT COMMITTEE ON INDIAN AFFAIRS, JUNE 20, 1989

Mr. Chairman, Mr. Vice Chairman, and Members of the Committee, I have submitted my written formal statement to be entered into the record and to request that I be allowed at this time to review the major sections of my statement.

As stated, my name is Eddie F. Brown and I am an enrolled member of the Pascua Yaqui Tribe.

I am the son of Julia Valenzuela, a Yaqui-Tohono O'Odham Indian, who in 1914, at a very young age, officially entered into this country with her family in back of a buck board wagon drawn by horses in search of an environment free from persecution and discrimination. She was a courageous, self-educated woman who instilled in me a strong sense of ethical values and the importance of working hard for those things I believe in. Although she is no longer living, I want it to be recorded that I share with her all honors and credit for my being here today.

I greatly appreciate the opportunity to appear before this committee, and I am particularly honored to have been asked to serve President Bush and Secretary Lujan in the capacity of Assistant Secretary of the Department of the Interior for Indian Affairs.

I am honored to have Senator John McCain, Senator Dennis DeConcini, Representative John Rhodes and my Tribal Chairman, Mr. Arcadio Gatelum to speak on my behalf. As a native Arizonan, I can think of no greater honor than that which their presence has bestowed upon me here today. I am also thankful for the support of my friends and the prayers of my home community.

I have accepted this nomination with a profound sense of the challenges that lay ahead.

Tribal governments are going through a period of dynamic and exciting change. They are developing more control over their resources, engaging in important and successful economic development efforts and making positive choices, in developing pro-

grams to address serious needs in their communities.

At the same time, the Federal government is facing critical challenges. The hearings that were held by the Special Committee on Investigations have created a greater national awareness of the human and economic needs on Indian lands. These investigations and hearings have also demonstrated a greater need for more efficient and effective use of federal financial, staff, and institutional resources on Indian lands.

My nomination must be viewed in the perspective of these changes in Tribal governments and the heightened awareness of challenges which I am accepting. Because of these changes and challenges let me briefly state my philosophy and approach in working with Tribal governments:

It has been stated that there are certain moments in history when change is particularly possible. It is my belief, as well as the belief of many others involved in Indian Affairs, that we are living in one of these moments.

But unlike the past, this opportunity for change will not be brought about by a single great hero or heroine, but will be the work of many people, both Indian and non-Indian, who feel the need for a different approach in working with Tribes, and who will join together, as we are already doing, to create that change.

In this light, I believe that an essential role of the Department of the Interior is to actively work with Tribal officials and members of Indian communities to support the positive efforts of Tribal governments.

Too often, Indian tribes are discussed in terms of overwhelming needs and failures. Indeed, there are many serious problems. However, it is essential to recognize that one of the basic precepts of this Administration is that the governments closest to the people are the most responsive to the desires of their citizens. Therefore, it follows that improvements of tribal communities and economies can be most successful when they are directed and controlled by tribes themselves.

Let me take a minute to briefly provide a few specific examples of what I'm talking about.

In the area of economic development, many tribes are successfully supporting economic venture on Indian lands. These range from attracting manufacturing industries to encouraging grocery stores, retail stores and gas stations. We can point to many tribes such as the White Mountain Apache Tribe in Arizona that has developed an outstanding ski recreation complex and a game and fish program that serves as a national model for natural resouce management. We can look at the Mississippi Band of Choctaw Indians that has attracted manufacturing industries to tribal lands and has provided employment for tribal members.

In the area of natural resources management, a number of tribes with natural resources have developed comprehensive land use and natural resource planning and management systems. An example is the Confederated Salish and Kootenai Tribes of the Flathead Reservation in Montana. These tribes have established professional capabilities in the areas of wildlife management and land and realty functions.

In the area of human services, where there have been many highly publicized cases of child abuse on Indian lands, what is not so apparent, however, are the responses of tribal governments to these troubling problems. In Arizona, for instance, 15 of the 20 tribal governments have enacted mandatory child abuse and neglect reporting laws. A number of these tribes have implemented specialized programs for child protective services. The tribes have also organized a professional-level child protective services training academy that is equivalent to the State's child protective services academy. The tribal academy has already trained over 60 tribal social workers, court judges and law enforcement officers from throughout the West. I am proud to say that as Director of the State's Department of Economic Security, I supported these Indian child welfare projects.

Tribal governments, like State and County governments, are continuing to evolve as governments. Like other governments, tribes have faced the challenges of fulfilling their jurisdictional responsibilities and providing services for their citizens. At the same time, tribes have been developing procedures for resource allocation, designing methods for citizen participation in decision-making, struggling with changes in their constitutions and implementing efficient management system.

In carrying out the Bureau's role in recognizing and supporting these positive efforts of tribal governments I will be guided by the following principles:

(1) Tribal Self-Government. I will fully support the policy of tribal self-determination by supporting and further strengthening effective and meaningful participation by tribal governments in the planning, conduct and administration of Bureau of Indian Affairs programs and services.

(2) Government-to-Government Relationships with Indian Tribes. I will develop stronger intergovernmental relationships between the Federal government and tribal governments. The relationships between the tribes and the Bureau will be based upon intergovernmental communication; mutual accountability in the areas of program operation and federal financial resources; and joint planning for more effective and efficient utilization of federal staff and institutional resources on Indian lands.

(3) Trust Responsibility. I will provide leadership for the Department in fulfilling the Federal government's trust responsibilities at the highest degree of fiduciary standards in securing and protecting the rights of Indian tribes and people. I will also serve as an advocate for tribes in seeking to promote a greater understanding by other Federal agencies of their responsibilities towards Indian tribes.

Keeping these positive trends of tribal governments and guiding principles in mind, I will provide leadership in developing clear directions for the bureau of Indian Affairs. Let me address for a moment what I mean in regards to leadership.

It is a fact that the need for leadership is constant, but it is also true that the "style" of leadership must change to meet the challenges of the times.

One of the greatest challenges in leadership today is how to cope with diversity.

And one of the greatest needs is for leaders who are able to bring diverse groups and views together around a table and through cooperative approaches, identify problems and jointly develop plans of action to address those problems which all are committed to work toward.

Therefore, the initial days of my administration will be spent visiting and talking with elected tribal government officials regarding their tribal directions and their recommendations for improving tribal and federal intergovernmental relationships. In this way, we can jointly set the future direction on Indian affairs for the years ahead.

Now based on my philosophy and approach to working with tribal governments, there are five areas that will receive considerable emphasis under my administration, given the changes in tribal governments and the heightened awareness of human and economic needs on Indian lands. These areas are Indian education, economic development, tribal community infrastructure, trust responsibility and natural resources management and administrative accountability.

In conclusion, I accept the nomination with the full awareness that this is a difficult and challenging time for Indian affairs.

I have strong faith in the ability of tribal leaders to work cooperatively with the Department in developing solutions to these problems.

In addition, I have met many conscientious, dedicated and capable Bureau of Indian Affairs employees, both in Washington, D.C. as well as in the field. My past association with the Bureau has led me to believe that Bureau of Indian Affairs employees can be most effective in their jobs when they are informed of policy decisions and when an environment is created that enables them to perform their duties. I plan to communicate closely with Bureau employees at all levels so that we can develop a team spirit and move ahead with a common purpose.

Let me also say at this time that I am very encouraged by the leadership in the field of Indian affairs that has been provided by Chairman Daniel Inouye. Senator Inouye is to be commended for his vigorous dedication to improving federal policies towards tribes and for his efforts to educate the American public about the federal obligation towards Indians. I believe that the nonpartisan approach taken by this committee serves as a model for cooperation in addressing Indian needs.

Given my experience in state and federal government, I believe that this nonpartisan approach is most effective.

If confirmed by the Senate, I will work closely with President Bush, Secretary Lujan, and the Congress, as well as the tribal government officials, to carry forward the commitment to making the ideals of tribal self-government and self-determination a reality.

STATEMENT ON THE NOMINATION OF EDDIE F. BROWN

Mr. McCAIN. Mr. President, I congratulate Eddie Brown on his confirmation by the United States Senate to the position of Assistant Secretary of the Interior for Indian Affairs.

Eddie Brown has exemplified himself as a strong and proven manager, a creative thinker, a compassionate public servant, and an individual of unquestioned integrity.

Eddie Brown served Arizona well as the director of the Department of Economic Security, an agency with 7,000 employees and an annual budget of over $1 billion dollars. He was instrumental in promoting the use of intergovernmental agreements between the State and several of Arizona's twenty Indian tribes for administration of Federal and State funds for programs which more effectively met the needs

of Indian tribes. Not only were these agreements more effective in the delivery of services, but they have become a model for other Federal, State and local government agencies to imitate. More importantly, the agreements recognize tribes on an equal basis with the state, which, to me, is a strong signal of the value Eddie places on the government to government relationship between the Federal Government and Indian tribes.

Mr. President, Indian Affairs is filled with great problems but also with great opportunities. Those opportunities are best realized when the Congress, the Bureau of Indian Affairs and the Tribes work together in a spirit of cooperation. In that regard, Eddie Brown earns high praise from Federal, State, local and tribal officials and private individuals for his ability to approach issues on a nonpartisan basis.

During his confirmation hearing before the Select Committee on Indian Affairs, Eddie emphasized his commitment to tribal self-government, fulfillment of the trust responsibility, and stronger intergovernmental relationships between the tribes, the States, and the Federal Government. He also indicated that his administration would emphasize improved education, greater opportunity for economic development, improved tribal community infrastructure, the trust responsibility, natural resources management and greater accountability at all levels of government. Eddie clearly understands the needs of the tribes and the appropriate role of the Federal Government in relationship to the tribes. Both Chairman INOUYE and I strongly support Eddie's views and wish him every success.

I extend my thanks and appreciation to Senator INOUYE for his outstanding efforts in moving this nomination promptly and fairly. As always, his leadership has been indispensible.

Mr. President, Eddie Brown has served Arizona well, and I know he will make an outstanding Assistant Secretary for Indian Affairs. This is a proud day for all Arizonans, and I know they join me in congratulating him, his wife, Barbara, and their six children: Aaron, Jared, Amber, Rachel, Gabriel, and Eddie, Jr.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now resume legislative session.

STRATEGIC ARMS REDUCTION NEGOTIATIONS

Mr. MITCHELL. Mr. President, on behalf of myself, Mr. DOLE, Mr. BYRD, Mr. PELL, Mr. LUGAR, Mr. NUNN, Mr. STEVENS, and Mr. CHAFEE, I sent a resolution to the desk concerning the resumption of strategic arms reduction negotiations with the Soviet Union, and I ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 149) concerning the resumption of strategic arms reduction negotiations with the Soviet Union.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. MITCHELL. Mr. President, I join with my distinguished colleagues today in submitting this resolution in support of the resumption of the strategic arms reduction talks. With this resolution, the Senate encourages the United States and the Soviet Union to use vigorous diplomatic efforts to resolve the outstanding issues impeding progress toward the conclusion of a START Treaty. The resolution states the Senate's support for a verifiable and stabilizing START agreement and urges the President to consult closely with the Senate and America's allies as he works toward a treaty.

The successful negotiation of a START Treaty that is verifiable and stabilizing must remain a high priority of the United States and I offer my full support to the Bush administration as it works to conclude such a treaty.

I welcome President Bush's interest in exploring improved verification techniques and confidence building measures in conjunction with the START negotiations. I support efforts to increase confidence in our ability to verify arms control agreements and to enhance the prospects for enthusiastic Senate consent to a negotiated treaty.

I am pleased by Secretary Baker's statement that the administration intends its inspection initiative to facilitate the process of resolving outstanding issues within the negotiations. It is my hope that the focus on verification will not delay the policy decisions that are necessary for concrete progress toward an actual arms control agreement.

We all understand that there are several areas of disagreement between the United States and the Soviet Union in the START talks. I am hopeful that the administration will devote its energies to resolving such isues as whether to ban mobile missiles and sea-launched nuclear cruise missiles and devising counting rules for missiles carried on bombers. There is a clear need to forge a unified and creative approach to these issues at the START negotiations.

I also believe that we must be realistic about the Strategic Defense Initiative and the relationship of missile defenses to strategic arms. The Joint Chiefs of Staff reportedly has suggested several options that recognize the technological and fiscal constraints upon the SDI program and the short-term Soviet advantage in the absence of the ABM Treaty. The proposed changes were not dramatic, but they would have helped to bridge the gap between the United States and Soviet positions at the Space and Defense Talks. I hope that President Bush will consider these proposals objectively. It would be unfortunate if ideology overrode common sense and unnecessarily jeopardized the prospects for a START agreement. I urge President Bush to clarify his position on the ABM Treaty and reevaluate the current United States position at the space talks.

The United States now has a great opportunity to make significant progress in several arms control negotiations. The INF Treaty laid the groundwork for START by establishing important precedents for actual reductions of nuclear weapons and intrusive on-site inspection verification procedures. The political momentum of arms control carried over into the START negotiations, in which the Reagan administration made significant progress. It would be tragic if the current administration failed to seize the opportunity to conclude a strategic arms reduction treaty to enhance the security of the United States.

President Bush has demonstrated his ability to move forward forcefully in the area of conventional arms control. I am hopeful that he will demonstrate the same creativity and commitment to the pursuit of strategic arms reductions and I look forward to working in support of the Bush administration's efforts to move forward in the START negotiations.

I am pleased that a senior delegation of the Senate Arms Control Observer Group will soon depart for Geneva and Vienna to consult with the United States arms control negotiators and to meet with delegations from Allied countries and the Soviet Union. This is an important step in an ongoing process of dialog and consultation between the Senate and the Executive branch regarding arms control and related strategic issues. I look forward to a strengthening of this consultative process in the best interests of the Nation.

Mr. DOLE. Mr. President, this week the United States and the Soviet Union resume the strategic arms reduction talks in Geneva. If a START agreement is reached, it will have immense consequences for our national security. Therefore, as I have said before, it is essential that we take the time to do it right.

Our negotiators need to be patient, and we here in the Senate need to be patient. We in the Senate also need to be aware that our actions in this body

can affect the United States negotiating posture in Geneva. This is especially true as we near consideration of the defense authorization bill.

We must be careful not to undermine our negotiators through unilateral cuts or other restrictions which could make it difficult for our negotiators to carry out their instructions from the President. President Bush has demonstrated his commitment to serious arms control. In order for these negotiations to be successful, this body must support him in that commitment.

I believe we must also keep in mind what success means in these negotiations—namely enhanced stability and security. Our goal is not, and should not be just to make cuts. Our goal is—and should remain—to make 50-percent cuts in a way which enhances the stability of the strategic balance.

Reductions should be achieved in the context of a comprehensive and forward-looking approach to our force structure. That is why the distinguished President pro tempore Senator BYRD, the distinguished Senator from California, Mr. WILSON, and I cosponsored a resolution to last year's defense authorization bill calling for a comprehensive report on the implications a START agreement may have on our strategic force posture during the 1990's.

The Bush administration has approached our section 908 report seriously and I expect we will receive it this week.

We may not all agree on every element of a post-START force structure, but the section 908 report should provide a good basis for discussion.

In my view the U.S. approach toward a post-START environment should include an ever-increasing role for strategic defenses. America's SDI Program shows great promise for our goals of enhanced stability and security. SDI offers us the best insurance against any gaps in a START verification regime.

Furthermore, strategic defense will also be our best insurance against mobile missiles.

In view of SDI's great potential, it is critical that the United States continue to protect and promote strategic defenses at the defense and space talks. In fact, I believe that a transition to greater reliance on strategic defenses will complement our efforts in the area of strategic offensive reductions in START.

I wish the best of luck to our Ambassadors Richard Burt and Hank Cooper in Geneva. The Senate observers will be travelling to Geneva next week and will be meeting with our negotiators. I will not be able to make this trip, but I look forward to hearing their report upon their return.

I am pleased to join the distinguished majority leader in cosponsoring this resolution supporting the President and his negotiators in their efforts at the nuclear and space talks.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 149) was agreed to.

The preamble was agreed to.

The resolution, in its preamble, reads as follows:

S. RES. 149

Whereas reductions of strategic nuclear weapons which stabilize the nuclear balance through mutual and verifiable arms control treaties would enhance the national security of the United States and are a matter of the highest priority;

Whereas significant progress has been made in the strategic arms reduction (START) talks;

Whereas the successful conclusion of the intermediate nuclear forces (INF) negotiations, the ratification in 1988 of the INF Treaty, and recent initiatives regarding conventional forces in Europe indicate a favorable climate for further progress in arms control negotiations;

Whereas President Bush repeatedly has expressed his desire to pursue vigorously a strategic arms reduction agreement;

Whereas the Congress, the American people, and America's allies and friends overwhelmingly support the efforts of President Bush to make progress in all areas of negotiation with the Soviet Union; and

Whereas the START talks resumed in Geneva, Switzerland, on June 19, 1989: Now, therefore, be it

Resolved, That the Senate hereby—

(1) expresses its full support for the commitment of the President to achieving a verifiable and stabilizing strategic nuclear arms reduction treaty with the Soviet Union in order to advance the national security interests of the United States and its allies;

(2) encourages the United States and the Soviet Union to use vigorous diplomatic efforts to resolve the outstanding issues impeding progress toward successful conclusion of a START treaty;

(3) declares that an important obstacle to the conclusion of new arms control agreements with the Soviet Union has been its violation of existing treaties, and calls upon the Soviet Union to take steps to rectify its violations of such treaties, in particular, to dismantle the radar site at Krasnoyarsk, Union of Soviet Socialist Republics, since it is a clear violation of the terms of the Anti-Ballistic Missile Treaty; and

(4) urges the President to consult closely with the Senate and with America's allies as he proceeds with the START negotiations, recognizing that consensus and unity are essential to a successful conclusion, including ratification, of a strategic arms reduction treaty.

SEC. 2. For purposes of this resolution—

(1) the term "Anti-Ballistic Missile Treaty" means the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Anti-Ballistic Missile Systems, done at Moscow on May 26, 1972; and

(2) the term "INF Treaty" means the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Elimination of Their Intermediate-Range and Shorter-Range Missiles, together with the memorandum of understanding and the two protocols thereto, done at Washington on December 8, 1987.

SEC. 3. The Secretary of State shall transmit a copy of this resolution to the President.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

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

The motion to lay on the table was agreed to.

THE CALENDAR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Orders numbered 131 and 132, en bloc, that the bills be deemed read a third time and passed, and that a motion to reconsider the passage of the bills en bloc be in order and be laid upon the table; I further ask unanimous consent that the consideration of these items appear individually in the RECORD.

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

AUTHORIZING THE APPOINTMENT OF THE ADMINISTRATOR OF THE FEDERAL AVIATION ADMINISTRATION

The bill (S. 1077) to authorize the President to appoint Adm. James B. Busey to the Office of Administrator of the Federal Aviation Administration, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 1077

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding the provisions of section 106 of title 49, United States Code, or any other provision of law, the President, acting by and with the advice and consent of the Senate, is authorized to appoint Admiral James B. Busey to the Office of Administrator of the Federal Aviation Administration. Admiral Busey's appointment to, acceptance of, and service in that Office shall in no way affect the status, rank, and grade which he shall hold as an officer on the retired list of the United States Navy, or any emolument, perquisite, right, privilege, or benefits incident to or arising out of any such status, office, rank, or grade, except to the extent that subchapter IV of chapter 55 of title 5, United States Code, affects the amount of retired pay to which he is entitled by law during his service as Administrator. So long as he serves as Administrator, Admiral Busey shall receive the compensation of that Office at the rate which would be applicable if he were not an officer on the retired list of the United States Navy, shall retain the status, rank, and grade which he now holds as an officer on the retired list of the United States Navy, shall retain all emoluments, perquisites, rights, privileges, and benefits incident to or arising out of such status, office, rank, or grade, and shall in addition continue to receive the retired pay to which he is entitled by law, subject to the provisions of subchapter IV of chapter 55 of title 5, United States Code.

SEC. 2. In the performance of his duties as Administrator of the Federal Aviation Administration, Admiral Busey shall be subject to no supervision, control, restriction, or prohibition (military or otherwise) other than would be operative with respect to him if he were not an officer on the retired list of the United States Navy.

SEC. 3. Nothing in this Act shall be construed as approval by the Congress of any future appointments of military persons to the Office of Administrator of the Federal Aviation Administration.

AUTHORIZING THE APPOINTMENT OF THE ADMINISTRATOR OF THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

The bill (S. 1180) to authorize the President to appoint Rear Adm. Richard Harrison Truly to the Office of Administrator of the National Aeronautics and Space Administration, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 1180

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding the provisions of section 202(a) of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2472(a)), or any other provision of law, the President, acting by and with the advice and consent of the Senate, is authorized to appoint Rear Admiral Richard Harrison Truly to the Office of Administrator of the National Aeronautics and Space Administration. Admiral Truly's appointment to, acceptance of, and service in that Office shall in no way affect the status, rank, and grade which he holds as an officer on the retired list of the United States Navy, or any emolument, perquisite, right, privilege, or benefit incident to or arising out of any such status, office, rank, or grade, except to the extent that subchapter IV of chapter 55 of title 5, United States Code, affects the amount of retired pay to which he is entitled by law during his service as Administrator. So long as he serves as Administrator, Admiral Truly shall receive the compensation of that Office at the rate which would be applicable if he were not an officer on the retired list of the United States Navy, shall retain the status, rank, and grade which he now holds as an officer on the retired list of the United States Navy, shall retain all emoluments, perquisites, rights, privileges, and benefits incident to or arising out of such status, office, rank, or grade, and shall in addition continue to receive the retired pay to which he is entitled by law, subject to the provisions of subchapter IV of chapter 55 of title 5, United States Code.

SEC. 2. In the performance of his duties as Administrator of the National Aeronautics and Space Administration, Admiral Truly shall be subject to no supervision, control, restriction, or prohibition (military or otherwise) other than would be operative with respect to him if he were not an officer on the retired list of the United States Navy.

SEC. 3. Nothing in this Act shall be construed as approval by the Congress of any future appointments of military persons to the Offices of Administrator and Deputy Administrator of the National Aeronautics and Space Administration.

CLOSED CAPTION BROADCASTING OF SENATE FLOOR PROCEEDINGS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 127, Senate Resolution 13, a resolution providing for close-captioned broadcasting of Senate floor proceedings.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 13) to amend Senate Resolution 28 to implement closed caption broadcasting for hearing-impaired individuals of floor proceedings of the Senate.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Maine?

There being no objection, the Senate proceeded to consider the resolution, which had been reported from the Committee on Rules and Administration, with an amendment.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution, as amended.

The resolution, as amended, was agreed to.

The resolution, as amended, is as follows:

S. RES. 13

Resolved, That Senate Resolution 28, agreed to February 27, 1986, is amended by adding at the end thereof the following new section:

"SEC. 17. The Secretary of the Senate shall, subject to the approval of the Senate Committee on Rules and Administration, contract with the Secretary of Education to provide closed captioning of the Senate floor proceedings. The Senate authorizes the Secretary of Education to have access to the audio and video broadcast of the Senate floor proceeding for the purpose of captioning. Such funds as may be necessary to carry out the purposes of this section are authorized to be paid from the contingent fund of the Senate.".

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the resolution, as amended, was agreed to.

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

The motion to lay on the table was agreed to.

ORDERS FOR THURSDAY, JUNE 22, 1989

RECESS UNTIL 9:30 A.M. AND MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9:30 a.m., Thursday, June 22; and that following the time for the two leaders, there be a period for morning business not to extend beyond 10:30 a.m. with Senators permitted to speak therein for up to 5 minutes each.

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

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. MITCHELL. Mr. President, if the distinguished acting Republican leader has no further business, and if no other Senator is seeking recognition, I now ask unanimous consent that the Senate stand in recess under the previous order until 9:30 a.m. on Thursday, June 22, 1989.

There being no objection, the Senate, at 7:37 p.m., recessed until Thursday, June 22, 1989, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate June 21, 1989:

DEPARTMENT OF VETERANS' AFFAIRS

S. Anthony McCann, of Maryland, to be an Assistant Secretary of Veterans' Affairs (Finance and Planning). (New position.)

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Wade F. Horn, of Maryland, to be Chief of the Children's Bureau, Department of Health and Human Services, vice Dodie Truman Livingston, resigned.

NATIONAL TRANSPORTATION SAFETY BOARD

Susan M. Coughlin, of Pennsylvania, to be a Member of the National Transportation Safety Board for the term expiring December 31, 1993, vice Lemoine V. Dickinson, Jr., term expired.

U.S. INFORMATION AGENCY

Henry E. Hockeimer, of Michigan, to be an Associate Director, of the U.S. Information Agency, vice Woodward Kingman, resigned, to which position he was appointed during the recess of the Senate from October 22, 1988, to January 3, 1989.

IN THE NAVY

The following named officer to be placed on the retired list in the grade indicated under the provisions of Article II, Section 2, Clause 2, U.S. Constitution.

To be vice admiral

Rear Adm. Richard H. Truly, [redacted] /1310, U.S. Navy.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 21, 1989:

AMBASSADOR

JOSEPH VERNER REED, OF CONNECTICUT, FOR THE RANK OF AMBASSADOR DURING HIS TENURE OF SERVICE AS CHIEF OF PROTOCOL FOR THE WHITE HOUSE.

DEPARTMENT OF STATE

PETER F. SECCHIA, OF MICHIGAN, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO ITALY.

DEPARTMENT OF TRANSPORTATION

JEFFREY NEIL SHANE, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSISTANT SECRETARY OF TRANSPORTATION.

KATE LEADER MOORE, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSISTANT SECRETARY OF TRANSPORTATION.

IN THE COAST GUARD

PURSUANT TO THE PROVISIONS OF 14 USC 729, THE FOLLOWING NAMED CAPTAIN OF THE COAST GUARD

RESERVE TO BE A PERMANENT COMMISSIONED OFFICER IN THE COAST GUARD RESERVE IN THE GRADE OF REAR ADMIRAL (LOWER HALF).

FRED S. GOLOVE

DEPARTMENT OF COMMERCE

THOMAS JOSEPH MURRIN, OF PENNSYLVANIA, TO BE DEPUTY SECRETARY OF COMMERCE.

SUSAN CAROL SCHWAB, OF MARYLAND, TO BE ASSISTANT SECRETARY OF COMMERCE AND DIRECTOR GENERAL OF THE UNITED STATES AND FOREIGN COMMERCIAL SERVICE.

DEPARTMENT OF STATE

MORTON I. ABRAMOWITZ, OF THE DISTRICT OF COLUMBIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO TURKEY.

MELVYN LEVITSKY, OF MARYLAND, TO BE ASSISTANT SECRETARY OF STATE FOR INTERNATIONAL NARCOTICS MATTERS.

THOMAS MICHAEL TOLLIVER NILES, OF THE DISTRICT OF COLUMBIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE THE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE EUROPEAN COMMUNITIES, WITH THE RANK AND STATUS OF AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY.

RICHARD H. SOLOMON, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSISTANT SECRETARY OF STATE.

JEWEL S. LAFONTANT, OF ILLINOIS, TO BE U.S. COORDINATOR FOR REFUGEE AFFAIRS AND AMBASSADOR-AT-LARGE WHILE SERVING IN THIS POSITION.

EDWARD N. NEY, OF NEW YORK, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO CANADA.

ROBERT D. ORR, OF INDIANA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF SINGAPORE.

U.S. INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

FRED M. ZEDER II, OF NEW YORK, TO BE PRESIDENT OF THE OVERSEAS PRIVATE INVESTMENT CORPORATION.

MARK L. EDELMAN, OF MISSOURI, TO BE DEPUTY ADMINISTRATOR OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

E. PATRICK COADY, OF VIRGINIA, TO BE U.S. EXECUTIVE DIRECTOR OF THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT FOR A TERM OF TWO YEARS.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

DEPARTMENT OF THE INTERIOR

EDDIE F. BROWN, OF ARIZONA, TO BE AN ASSISTANT SECRETARY OF THE INTERIOR.

IN THE COAST GUARD

COAST GUARD NOMINATIONS BEGINNING CYRUS J. SCOTT, AND ENDING LUCILLE T. LALIBERTE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 6, 1989.

PUBLIC HEALTH SERVICE

PUBLIC HEALTH SERVICE NOMINATIONS BEGINNING KENNETH L. BROOKS, AND ENDING ANDREW L. OLNES, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 9, 1989.

PUBLIC HEALTH SERVICE NOMINATIONS BEGINNING BRUCE A. CHABNER, AND ENDING GARY W. BLAIR, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 17, 1989.

PUBLIC HEALTH SERVICE NOMINATIONS BEGINNING THOMAS R. BENDER, AND ENDING GEORGE E FOLEY III, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 17, 1989.

WITHDRAWAL

Executive nomination withdrawn by the President from further Senate consideration, June 21, 1989:

U.S. INFORMATION AGENCY

HENRY E. HOCKEIMER, OF MICHIGAN, TO BE AN ASSOCIATE DIRECTOR OF THE U.S. INFORMATION AGENCY, VICE WOODWARD KINGMAN, RESIGNED, WHICH WAS SENT TO THE SENATE ON JANUARY 3, 1989.