SENATE—*Thursday, July 13, 1989*

(Legislative day of Tuesday, January 3, 1989)

The Senate met at 9:45 a.m., on the expiration of the recess, and was called to order by the Honorable TIMOTHY E. WIRTH, a Senator from the State of Colorado.

PRAYER

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

Let us pray:

As the hart panteth after the water brooks, so panteth my soul after thee, O God. My soul thirsteth for God, for the living God * * *.—Psalm 42:1, 2.

As we hear these words from the Psalm, loving God, we remember the profound statement of St. Augustine: "Thou hast made us for thyself, O God, and restless are our hearts until they repose in Thee."

We need Thee, Lord, desperately need Thee. Forgive us for satiating our bodies while we starve our souls. Quicken us to this fundamental need in our lives and grant grace to respond to Your divine initiative. Help us not to be so victimized by schedules that we make no room for Thee, take no time for Thee.

In His name who lived in unbroken fellowship with Thee. 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 legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, July 13, 1989.

To the Senate:

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

ROBERT C. BYRD,
President pro tempore.

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

ORDER OF PROCEDURE

The ACTING PRESIDENT pro tempore. Under the previous order, the time between now and 10 a.m. shall be equally divided between the majority leader and the Republican leader.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Chair recognizes the distinguished Senator from Georgia, the acting majority leader.

Mr. FOWLER. I thank the Chair.

THE JOURNAL

Mr. FOWLER. 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.

RESERVATION OF LEADERS' TIME

Mr. FOWLER. Mr. President, I ask unanimous consent that the time of the majority leader and the minority leader, which under the order is scheduled from 9:45 to 10, be reserved.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

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

The Senator from California is recognized.

PROTECTION FROM THREATENED OIL AND GAS SPILLS

Mr. WILSON. Mr. President, I wish to announce my intention to vigorously pursue the adoption here in the Senate of that same language which the House has passed now, language amending the Interior appropriations bill for fiscal year 1990, language that will extend protection to the California Outer Continental Shelf, the Outer Continental Shelf of other coastal States, from the kind of oil and gas exploration and drilling that needlessly threatens our coastal areas.

The House has seen fit to extend a moratorium on oil and gas exploration and development for another year, and wisely so. The language adopted by the House in this regard should be accepted by my colleagues on the Appropriations Committee. I hope it will. I would much prefer to see the language in the bill as it comes to the floor. But in the event that this OCS moratorium language is not reported out of the Appropriations Committee, I intend to offer it here on the floor during the consideration of the Interior appropriations bill by an appropriate amendment that will offer that safeguard.

Mr. President, I do not think I need elaborate at endless length what casual readers of our newspapers all across the Nation know.

First, we were shocked by the experience of the *Exxon Valdez* spill in Prince William Sound. The tragedy there made clear to those of us who had expressed skepticism about the ability of the oil companies to engage in the kind of spill cleanup which we were assured was not just technologically feasible and possible but virtually assured. We learned the hard way that those expectations had been greatly overblown, and the cruel fact was that technology whatever its advertised state-of-the-art was clearly insufficient.

The spill of the *Exxon Valdez* in Prince William Sound has produced lasting damage, at least damage to the marine environment there that will take years to overcome. And we are told repeatedly in good faith, I am quite sure by those who are concerned with the welfare of their constituents, those who paint stark pictures of long gas lines and brownouts, that we must do everything possible to exploit whatever resources we have on this continent and off its shores to see to it that our people are energy self-sufficient.

Mr. President, no State I concede can claim to be Camelot and off limits to efforts at energy self-sufficiency. But let us be honest, and look at the facts. Let us see how we are lessening our dependency by attacking the Outer Continental Shelf at the great risk that we have seen, understanding that risk is enhanced if, as planned by the Department of the Interior in prospective leasing, new lease sale tracts off the coast of my State and other States go forward with the expectation that the oil removed will be removed and tankered, that it will not go ashore by pipeline, but that the vast majority of it will be tankered out.

I want to look in short at the threat that is represented there. But before I do, let us look at a more fundamental

● 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

consideration, and that is the claim we must continue to develop all of our offshore oil in order to lessen our dependency on imported oil.

The fact, Mr. President, is that if all of the expected reserves in the Outer Continental Shelf of California were in fact tapped it would lessen our dependency on oil imports by less than 1 percent. The sad fact is, and I do think it a sad fact, we have a dependency on oil imports. Some 42 or 43 percent of the oil that we are consuming is in fact imported. But if we were to tap what they hope to be in the Outer Continental Shelf of California we would not significantly lessen that dependency.

So we must be involved in a consideration of balancing the costs of that kind of oil and gas exploration and development with an insignificant reduction in our import dependency and with a considerable enhancement of the dangers that flow. And they have to do not only with the kind of spill damage that we have seen in Prince William Sound but we have now seen in the Atlantic and gulf coasts as well and off the coast of my home county. We have seen it now off Rhode Island, off Delaware, and off San Diego. The fact of the matter is when you are dealing with tankers you are dealing with a high probability of spills.

Mr. President, let me say further that the way to deal with this is to deal with it in an up front and straightforward fashion simply stating that there are certain activities that are not worth the costs. We see not only direct damage from spills but the indirect damage both to the environment and to the economic base of a densely populated area like southern California from the fact that if additional rigs are permitted off the coast of southern California the air quality ashore will be seriously degraded. Los Angeles already suffers the worst air in the Nation. It is one of the fastest growing areas in terms of population and economic growth. But the economic growth needed to keep pace and provide jobs with that growing population is dependent upon our dealing with air quality.

Mr. President, my intention is to vigorously pursue the adoption of House-passed language to the Interior appropriations bill for fiscal year 1990 that will extend the California Outer Continental Shelf oil and gas moratorium for another year.

The House has wisely adopted language in this regard that should be accepted by my colleagues on the Appropriations Committee. In the event that this OCS moratorium language is not reported out of the committee, I will be here on the floor during the consideration of the Interior appropriations bill with an appropriate amendment.

My reasons are simple. For too long, the Senate has avoided the issue of OCS oil and gas development. We can't afford to avoid this controversial issue any longer.

Recent tanker spills in Alaska, off Rhode Island, in the Delaware River, off the coast of Galveston, TX, and most recently, off the coast of San Diego from the crippled *Exxon Valdez* tanker, are all testimonials to the enormous risks that are associated with the production and transportation of oil.

The Senate has a responsibility to confront these and other risks. We should be on record in sending a strong message to the oil industry that there are certain risks that just are not worth taking, and that until these risks have been minimized, reasonable restraints should be placed on new OCS oil and gas development.

We have known for years now that tankers pose the greatest risk of an oil spill. I remember several years ago when former Secretary James Watt was parading the Halls of Congress with charts showing that far more oil is spilled every year from tankers than from any other source, including oil platform blowouts of the sort that we had off of Santa Barbara in 1969.

I was convinced then, and in light of the *Valdez* spill, I remain convinced today. Yet, very little has been done over the years to minimize the risk of a tanker spill.

In fact, if the Interior Department gets its way, the risk of a tanker spill would be even greater than it already is off the coast of California. The Department has proposed a slew of new oil and gas production rigs in the nearshore coastal waters off California that would likely pump their oil directly into waiting tankers for transport to onshore refineries.

More oil tankers plying the coast of California is the last thing we need. As it is, we are already subject to the risks of a tanker spill from those ships that are transporting Alaskan crude down to the California and Texas refineries via the Panama Canal. Adding new California OCS tankers to those from Alaska is only going to increase the risk of a tanker spill.

But the Interior Department does not stop there. Interior has requested the Coast Guard to narrow the proposed California offshore shipping lanes to allow for more OCS tracts to be leased to the oil companies. Instead of the proposed 5-mile-wide shipping lane through which oil tankers and other ships are allowed to pass, Interior wants only two 1-mile-wide lanes to accommodate northbound and southbound traffic separated by a 2-mile buffer in which oil and gas development would be allowed.

My friends, I am appalled by this proposal. It risks the safety of vessel traffic for the questionable benefit of making a few extra OCS tracts available for the oil industry. If this is how the Interior Department proposes to minimize the risks of tanker spills, then we are in trouble.

Much the same story can be told about the Interior Department's plans to develop the OCS off the coast of Camp Pendleton in southern California. Camp Pendleton is the base used by the Marine Corps to train troops in amphibious assaults. The Navy has all sorts of marine craft maneuvering off the coast of Camp Pendleton and has long resisted the attempts by the Interior Department to lease nearshore tracts for oil and gas development. Were such development to be permitted, the combination of the new OCS platforms and the oil tankers that service those platforms could become a real problem for the Marine Corps vessels engaged in practice maneuvers.

Assurances by the Interior Department that OCS rigs and tankers can easily be avoided, even in rough weather, are not comforting. Even if this were true, I have not been convinced that the Marine Corps should compromise its practice area for the sake of a handful of OCS oil and gas tracts.

What else has been done to minimize the risk of tanker spills? The answer is not much.

Spill cleanup technology—or the lack thereof—is probably the most telling indictment of the Interior Department's plans to lease in pristine areas offshore California. State and Federal officials have admitted that little could be done to effectively contain a *Valdez* size spill off the coast of California.

The oil industry recently announced the establishment of five regional response centers that will be ready to handle any future major oilspill in U.S. waters. Yet only two of these centers will be located on the west coast in Long Beach and Seattle.

That is fine if we are talking about a tanker spill off of Seattle or Long Beach, but it does not do much for tanker spills off of northern California where new OCS development is planned by the Interior Department. By the time any containment equipment can be moved to northern California from Seattle or Long Beach, too much oil will have escaped as happened with the *Valdez* in the Prince William Sound.

The threat of tanker spills is only one very good reason to go slow on new OCS development. There are many other risks that have not been sufficiently addressed by the Interior Department.

For some time now, I have been endeavoring to sensitize Congress to the uncontrolled air pollution that is associated with offshore development. For what are seemingly inexplicable reasons, the Interior Department—not the EPA—has the responsibility for

controlling OCS air emissions. Suffice to say, the Department has been less than vigorous in pursuing this congressional mandate.

In California, a double standard exists. If an oil platform is located 2.9 miles offshore, which is to say in State controlled waters, that platform must comply with the same stringent air quality controls that onshore industry is subjected to.

But if a different platform is located 3.1 miles offshore, which is to say in Federal waters, the Interior Department requires air emission controls that are three times less stringent—even under new air rules proposed by Interior—than that which is required of the oil platform located in State waters.

The significance of this disparity lies in the fact that these offshore air emissions are blown ashore in California, thus aggravating what is already the dirtiest air in the Nation.

Despite lawsuits, letters and pleadings from all quarters except the oil industry, the Interior Department persists in allowing offshore oil rigs to emit tons of air pollutants that would otherwise be controlled were these rigs located onshore.

We in California have tried to negotiate an acceptable agreement on this and other issues with the Interior Department for several years now. Every time we think we are getting close, the oil industry pulls the plug and we find ourselves back at the beginning.

It is not that California is not willing to do its share, because we are. It seems to be a little known fact that California ranks fourth among the 50 States in overall oil and gas production. Even more to the point, California is second only to Alaska in terms of total offshore oil production.

So do not let it be said that California is not willing to do its share when it comes to producing oil and gas. But there comes a point when we have to draw a line on the level of risk we are willing to assume for the alleged benefit of new oil production.

Californians have long been sensitized to the risk of offshore development dating back to the Santa Barbara blowout of 1969. Now it appears that the Nation is similarly becoming sensitized to these risks because of the *Valdez* tragedy and the other tankers spills I mentioned at the outset.

But now that we have everyone's attention, it is time for the Senate to speak to this issue. I cannot imagine a more forceful message than an affirmative action by this body to extend the California OCS moratorium, and perhaps the moratoriums off of other similarly situated States.

With such a message, we will be telling the oil industry and the Interior Department that business as usual is not enough. We need action to minimize the threat of tanker spills, to control dirty air emissions, to minimize fishery impacts, to compensate for the loss of real estate values and all the other issues that have been at the heart of the California OCS debate for the last 8 years.

Let me conclude, Mr. President, simply by saying that it makes no sense as is presently the case to have two different agencies administering two different standards, a far less stringent standard offshore.

I simply wish to repeat again whether we are talking about the quality of air ashore, whether we are talking about the risk to environment, both fiscal and economic, there are certain activities that are not worth the cost.

I think the House has been wise in extending this moratorium. I hope that the Senate will do so. I intend to see that we have every opportunity.

I thank my colleagues for their attention and strongly encourage the Appropriations Committee to adopt the House-passed language on this issue in the Interior appropriations bill.

GAO MANAGEMENT REVIEW OF VA

Mr. CRANSTON. Mr. President, on May 18, the Department of Veterans Affairs issued a press release headlined "VA Requests GAO Study of Key Management Activities." Both the headline and the content of the release—which has been picked up by many news organizations—made it appear that a major GAO study of VA management was to be carried out at the request of and under substantial direction from the Department of Veterans Affairs.

Because it was my understanding that this GAO study was part of an ongoing, Government-wide GAO effort initiated by GAO and because I was concerned that leaving this issue unclear could perhaps lead other departments and agencies to attempt to exert direction over GAO in its major management studies and could also lead to confusion during the VA study as to GAO's responsibility for determining what was to be studied and in what manner, I wrote to Comptroller General Charles Bowsher on May 31, 1989, asking for his clarification of this matter. On June 16, 1989, Comptroller General Bowsher responded to my letter and confirmed that the GAO review in question "is part of our continuing, self-initiated effort to identify and resolve longstanding management problems at selected federal agencies." He also noted that, to date, "GAO has completed 11 of these reviews" and noted VA's strong support of GAO's effort.

Mr. President, for the information of our colleagues and members of the public who may have an interest in this matter, I ask unanimous consent that my May 31, 1989, letter, with enclosed VA press release, to Comptroller General Bowsher and his June 16, 1989, reply be reprinted at this point in the RECORD.

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

COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC, May 31, 1989.

Hon. CHARLES BOWSHER,
Comptroller General of the United States, General Accounting Office, Washington, DC.

DEAR CHARLES: I was quite surprised to see the enclosed May 18, 1989, Department of Veterans Affairs News Release entitled "VA Requests GAO Study of Key Management Activities" as well as articles based on this release in the Washington Post (May 19) and other papers. From both the title and the content of the release, it appears that the major GAO study of VA management is to be carried out at the request and under the direction of VA. It is my understanding, however, that this study is part of an ongoing, self-initiated Government-wide GAO effort and has been planned by GAO for some time.

If my understanding is correct, I believe that it would be appropriate for your office to issue a public clarification of the background of the VA study—so as both to avoid any confusion during the balance of this study as to GAO's responsibility for determining independently what matters will be evaluated at VA and to reaffirm GAO's traditional responsibility to the Congress rather than to Executive Branch entities. Such a clarification would also help forestall other departments or agencies asserting responsibility for initiating such major management studies.

Please let me know, Charles, whether you agree with the desirability of the action I am recommending and what specific steps you take in this regard.

Thank you for your ongoing cooperation and assistance.

With warm regards,
Cordially,

ALAN CRANSTON,
Chairman.

DEPARTMENT OF VETERANS AFFAIRS,
May 18, 1989.

VA REQUESTS GAO STUDY OF KEY MANAGEMENT ACTIVITIES

The Department of Veterans Affairs and the General Accounting Office have signed a unique joint agreement that opens the way for an intense study of major management issues in the newly created Cabinet-level department.

VA Secretary Edward J. Derwinski initiated the project following discussions early this year with Comptroller General Charles A. Bowsher, who heads the GAO, the audit arm of Congress.

Derwinski said, "it is critical that VA approaches its elevation to the Cabinet by taking a fresh look at everything we do. We will have a no-holds-barred working relationship with GAO that I expect will have a very positive effect on making department-wide improvements."

Most GAO reviews of executive branch activities focus on specific programs and are conducted at the direction of Congress. In recent years, the GAO has started doing much broader general management reviews

with a long-range goal of improving overall management of federal agency operations.

The VA study will involve in-depth review of both field and headquarters management policy and procedures, and will focus on three main areas of VA activity: strategic planning, information resources management and financial management.

The strategic planning component of the study will examine how VA currently uses long-range projections to prepare for future demands on Department services and programs. The review of information resources management will cover both departmental information needs and overall system effectiveness. The financial management component will most likely focus on budgeting as well as major programs such as home loans and life insurance programs, each of which involves a variety of disbursement and collection activities.

VA is the government's second largest department and operates a nationwide system of medical facilities, benefits offices and national cemeteries formerly under the jurisdiction of the Veterans Administration. Its programs and services extend to some 27.2 million living veterans who together with some 53 million potentially eligible dependents and survivors make up about one-third of the nation's population. VA attained Cabinet rank on March 15, 1989.

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, DC, June 16, 1989.

Hon. ALAN CRANSTON,
Chairman, Committee on Veterans' Affairs, U.S. Senate.

DEAR MR. CHAIRMAN: Your May 31, 1989, letter asked about our management review of the Department of Veterans Affairs (VA). The review is part of our continuing, self-initiated effort to identify and resolve key long-standing management problems at selected federal agencies. To date, GAO has completed 11 of these reviews, which have met with generally positive responses from the Departments's top officials.

We initiated our reviews of department-wide management systems and practices to impress upon the leaders of executive agencies the importance of improving their management practices. We believe that GAO reviews of overall management systems are an important complement to GAO reports that focus only on particular programmatic weaknesses. The broader review can serve as a framework for improving government operations over the long term.

The success of these management reviews depends very much on the cooperation and support of agency leaders. Getting action on recommendations that often call for fundamental changes in how an agency operates requires a commitment from the top down. As such, GAO, in initiating these broad management reviews, is concerned that agency leadership be supportive. I met with Mr. Derwinski shortly after his nomination to discuss our interest in conducting a management review at VA. In subsequent discussions with us, Secretary Derwinski has expressed strong support for this effort. I view his press release as his way of communicating his support to his agency and the veterans' service organizations.

While we work closely with agency management in performing our management reviews, I assure you that GAO has maintained and will continue to maintain its independence and objectivity. With VA, as we have done at other Departments, GAO will determine the key issues and objectively report our findings to the Congress as well as to agency leadership.

With the Secretary's strong support for our effort, I believe a GAO management review at VA can make important contributions to the quality of services delivered to our veterans. I would like to further discuss with you our management review program and would be happy to meet with you as soon as our schedules permit.

Sincerely,

CHARLES A. BOWSHER,
Comptroller General of the United States.

COMMENDING NORTH DAKOTA'S CENTENNIAL BAND AND CHOIR

Mr. BURDICK. Mr. President, as you may be aware, my home State of North Dakota is celebrating its centennial this year. Last week, I was part of a 4-day event called the "Party of the Century" to honor our State's 100th birthday. I again had the opportunity to marvel at the quality of our centennial band and chorus. I would like to take this opportunity to thank the talented high school students who devoted so much time in the past year to rehearsals and performances to honor our State.

The Governor's Centennial Chorus was from West Fargo High School. Under the direction of John W. Loy, the 68-voice a cappella chorus provided extraordinary music at centennial events across the State. As Gov. George Sinner said, "The chorus is a credit to North Dakota." Each and every member must be commended for the time and talent evident in each song.

I first heard the North Dakota Centennial Band at the centennial kick-off last November in Fargo. The band is made up of 200 students from 153 high schools, bringing together the most talented musicians from across North Dakota. The group was directed by Warren and Dave Koppelman of Grand Forks. The students marched at the Rose Bowl Parade in Pasadena on New Year's Day, played in many community celebrations in the State, and provided music all day on the Fourth of July, from 7 a.m. through the fireworks at midnight. Their patriotic music was truly inspiring.

A smaller group, the North Dakota Centennial Concert Band, was directed by Merton Utgaard of Bottineau and John Warren of Mandan. The band's 60 members dressed in old-fashioned garb to recreate the music of an earlier time.

Centennial activities will conclude on November 2, Statehood Day. My sincere thanks and appreciation to the young people who are providing music for North Dakota's 100th birthday, and to everyone who helped our State celebrate the "Party of the Century."

THE 1,580TH DAY OF TERRY ANDERSON'S CAPTIVITY

Mr. MOYNIHAN. Mr. President, I rise once again to speak of Terry Anderson's continuing captivity in Beirut. Today marks the 1,580th day that he has been held hostage.

In the fall of 1986, a videotape was released in Lebanon which contained a plea by Terry Anderson and fellow American David Jacobsen. I ask unanimous consent that a New York Times article on this subject be printed in the RECORD.

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

TWO HOSTAGES TAPE A PLEA FOR MORE EFFORT BY UNITED STATES

(By Ihsan A. Hijazi)

BEIRUT, LEBANON, October 3.—Two American hostages pleaded for greater efforts by the United States to obtain their release in a videotape made available today by Islamic Holy War, the militant Shiite Moslem organization that says it is holding them.

The captives, Terry A. Anderson and David P. Jacobsen, asked that the same effort be made for them as was made for Nicholas S. Daniloff, an American journalist freed last Monday by Moscow.

The tape was delivered to the Beirut offices of Western news agencies along with a message in Arabic from Islamic Holy War, a shadowy organization believed to be made up of Shiite extremists loyal to the Iranian religious leader, Ayatollah Ruhollah Khomeini.

This was the first time that Mr. Anderson, the chief Middle East correspondent for The Associated Press, had been seen since gunmen kidnapped him in West Beirut March 16, 1985. Mr. Anderson, who is 38 years old, looked fit but thinner and paler than he was when abducted.

Mr. Jacobsen, head of the American University hospital, was kidnapped here on May 28, 1985. He had appeared twice on videotape, and photographs of him had been made available on four occasions since another American hostage, the Rev. Lawrence Martin Jenco, a Roman Catholic priest, was freed last July 26.

REAGAN IS BLAMED

Mr. Anderson accused the Reagan Administration of ignoring the plight of the American hostages in Lebanon while "surrendering" to the Russians in the Daniloff case.

The same message was put across strongly by Mr. Jacobsen. He said that what he called President Reagan's "mistake" over the case of the Lebanon hostages had already cost the life of William Buckley.

Mr. Buckley, an American Embassy official, was abducted March 16, 1984. A year ago Islamic Holy War said it had killed him in retaliation for the Israeli air strike against the headquarters of the Palestine Liberation Organization in Tunisia. No body has been found.

On Thursday night Channel 7, a state-run television station based in West Beirut, broadcast a videotaped plea for the release of the American hostages made by the families and Father Jenco.

The typewritten message from Islamic Holy War that was delivered today said that the Reagan Administration was responsible for the lives of the hostages in Lebanon and that any delay and "any negative action"

that might occur was "in the hands of Reagan and his Administration."

"Our demands are clear and known to all," the statement said. "Their realization means the release of the hostages. Any other talk is a mirage."

The message did not say what the demands were. In the past the Islamic Holy War kidnappers have said the release of the captives is conditional on the freeing by Kuwait of 17 prisoners who were convicted for their part in a series of bomb attacks there three years ago. The targets included the American and French Embassies, as well as Kuwaiti institutions.

On the videotape, Mr. Jacobsen said the condition of the hostages was very bad and had worsened in the last two months. But, he asserted, the worst pain came from being ignored by his Government.

The United States has taken the position that it will not yield to terrorists demands in order to obtain the release of the hostages. Kuwait has refused to consider the release of the prisoners it is holding, and the United States has refused to exert pressure on Kuwait to do so.

President Reagan said earlier this week that the case of Mr. Daniloff differed from that of the hostages in Lebanon because the captives in the Middle East are held by "faceless terrorists" instead of by a Government with diplomatic representation.

Islamic Holy War says it is holding a third American hostage, Thomas M. Sutherland, acting dean of the school of agriculture at the American University of Beirut. He was kidnapped in West Beirut in June 1985.

The group denied that it was responsible for the abduction of two other Americans, Frank H. Reed and Joseph J. Cicipio, the American University controller. They were seized, separately, last month in the Moslem part of Beirut.

GLOBAL CLIMATE CHANGE

Mr. CRANSTON. Mr. President, I want to join my colleagues in calling for strong leadership on the part of the administration in addressing the most serious environmental challenge we have ever faced—that of global warming.

The Paris summit, which begins today, will once again bring together the leaders of the seven industrialized nations. For the first time, the issue of the environment is on the agenda. In fact, the issue of safeguarding the environment is expected to be one of the major themes of the summit. This development, in itself, is significant. It is a recognition by world leaders of the seriousness of the issue and the key role that must be played by the industrialized nations in addressing the problem. It presents an opportunity for the United States to demonstrate to the world that it plans to play a leadership role in addressing this issue.

Mr. President, the implications of global warming are far-reaching and potentially catastrophic—virtually everything and everyone will be affected. Agriculture, coastal communities, wildlife, the wetlands, forests—each may be fundamentally and irreversibly altered.

If we fail to respond and allow present trends to continue, we can expect an increase in average global temperatures of 3 to 8 degrees Fahrenheit within the next 60 to 100 years. Forests will continue to be destroyed at a rate of one football field's worth each second—world population will continue to grow at a rate of 1.7 percent thereby doubling the population in the next 40 years. And emissions of greenhouse gases will continue to spew into the atmosphere in ever-increasing amounts.

There is a natural human tendency to deny that the problem exists because of its sheer magnitude or to view it as a something that looms way off in the distant future. But many scientists believe that global warming has already begun and the scenarios commonly associated with it are disasters that our children may encounter in their lifetimes.

Unless we take decisive action now, the problem will only become that much more intractable. Unless we make a commitment to devote our resources and make this issue a priority, we will squander the valuable time that is available to us.

It is incumbent on world leaders and public officials to continue to beat the drums in warning of the potential dangers and begin to take action to reverse current trends.

The United States and the other industrialized nations of this world must take the lead in this endeavor. Eventually, of course, every nation, every member of the global community must become part of the solution since everyone is equally threatened—equally vulnerable. We must finally recognize that our survival is inexorably linked to the fate of the globe and our actions and lifestyles come with environmental pricetags.

The Paris summit is the place to begin. President Bush must go to the summit with a strong commitment to deal with global warming. The industrialized nations must act in concert and with deliberation to establish a path toward controlling emissions of greenhouse gases and eventually stabilizing those emissions at a safe level.

The danger is clear and present. The time for action is now.

MILLICENT MONKS, CAPE ELIZABETH, ME

Mr. COHEN. Mr. President, I would like to call the Senate's attention to the outstanding accomplishments of Millicent Monks, a patron of the arts from Cape Elizabeth, ME, who now makes her home in Washington.

In her elegant and unpretentious way, she was a moving force behind the cultural renaissance in Portland in the 1970's. Those and many other outstanding achievements are now being honored formally by the creation of an endowment fund in her name that will underwrite new artistic endeavors.

These projects will be overseen by Portland Performing Arts, a nonprofit agency that this week will celebrate its fifth anniversary with a dinner-dance honoring Mrs. Monks at her Ram Island Farm in Cape Elizabeth.

A soft-spoken but persevering patron of the arts, Mrs. Monks has earned widespread admiration for her struggle to stabilize the Ram Island Dance Co., which she founded in the 1970's. But her influence extends far beyond that accomplishment, earning her the reputation as Greater Portland's "first lady of the arts."

Dynamic but gracious, charming but firm, Millie Monks is a visionary. Her dreams for the arts began in Portland but have spread beyond, to other artistic centers on the eastern seaboard. She is a great lady, deserving of recognition, and I am honored to count her among my friends.

Two articles detailing her achievements were recently published in the Portland Evening Express, and I ask unanimous consent that they be printed in full in the RECORD.

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

ARTS PROJECTS ENDOWMENT ESTABLISHED—CAPE'S MILLICENT MONKS RECEIVES HONOR

(By Bob Niss)

An endowment fund to underwrite arts projects has been established in honor of a long-time Cape Elizabeth patron and is well along toward its goal of raising up to $400,000.

Interest from the Millicent Monks Trust for the Fine and Performing Arts will be used as early as next year to "support projects that initiate new artistic endeavors," according to the trust's guidelines. Those projects will be overseen by Portland Performing Arts, a nonprofit agency best known for handling the logistics of the Maine Festival and New Year's Portland.

All or most of the projects will materialize at the Portland Performing Arts Center, which will celebrate its fifth anniversary July 14 with a dinner-dance honoring Monks at Ram Island Farm in Cape Elizabeth.

It was at the sprawling Ram Island Farm estate of Monks and her husband, Robert A.G. Monks, that she launched the Ram Island Arts Center, precursor of the Ram Island Dance Company, in 1967.

After several years of mild success and occasional failure, the venture was pared to all but its modern dance element and transplanted in 1972 to the Printers Exchange Building in Portland's Old Port.

Monks relinquished control of the ensemble in 1974 and since then it has relocated to the PPAC on Forest Avenue.

But Monks has remained an active patron of the arts and most observers credit her with playing a major role in spurring the cultural renaissance that swept Portland during the 1970s.

The trust fund already shows a balance of about $125,000 toward a goal of at least $300,000 and hopefully $400,000, says Phyllis O'Neill of Portland Performing Arts.

Donations have come from the private and corporate sector, "mostly from private individuals," she says.

Only interest from the trust will be used to fund arts projects.

O'Neill expects that a committee to screen project proposals will be named shortly and "the first project awards probably will be made by next March for the 1990 season."

O'Neill notes that the trust will support the work of "living Maine artists," from musicians and dancers to painters and sculptors, and the selection process will be fairly simple.

"On an annual basis," state the trust guidelines, "project proposals will be considered that expand and further the established artistic activities of Portland Performing Arts. Specifically, the endowment will support projects that initiate new artistic endeavors at the Portland Performing Arts Center."

Projects that might receive more than casual consideration, O'Neill says, include a cooperative gallery space for visual artists, an urban folk arts or ethnic arts program, a lecture or cultural film series, a workshop program in dance or multidisciplinary arts and direct commissions of new dance choreography, plays and chamber music.

New works such as a dance piece or play would be premiered at the PPAC by Maine performers.

The funds will go directly toward the creation of a product, O'Neill stresses.

"We realized we were not so interested in an endowment that would pay for paper clips and rent as we were in an endowment whose proceeds would go directly to the source of creativity, the artist.

"That is a system which Millicent Monks supports."

Monks has been an ardent supporter of the Performing Arts Center and Portland Performing Arts because, says O'Neill, their devotion to challenging, new arts reflects her personal taste, It was logical therefore, to arrange a joining of the facility, the organization and the woman.

"It's a rather novel approach," says Alden C. Wilson, director of the Maine Arts Commission. "Many, if not most, grant programs are set up not quite so specifically. This will provide direct support for the artistic process."

Wilson calls the trust project "a real testament to the creativity of the people who put it together."

"It will be the artists and the audiences who will primarily benefit, and that's what it's all about," O'Neill says. "It has always been our goal to challenge artists, to have them create new works. It has always been Millie's intention to challenge and stimulate artists. This is a real match."

"INCREDIBLE WOMAN" DOWNPLAYS CONTRIBUTIONS

(By Bob Niss)

"It was a great surprise, a great honor," Millicent Monks says of having an endowment trust established in her honor.

"I kept thinking there's someone much more worthy of this than me. It's just unbelievable."

Monks' modesty is genuine, those who know her insist.

Annette Elowitch of Barridoff Galleries describes Monks as "an incredible woman" who deserves the honor.

"Of course she's modest about it. That's her and it is real. But it's so wonderful to be able to celebrate her life this way, to call attention to what she's done for the arts in Portland."

Monks herself downplays her contributions, though she concedes to having been "persistent" in her 1970s struggle to stabilize the Ram Island Dance Company she founded. Newsmen of the era were known to refer to her, both in and out of print, as "thoroughly stubborn Millie," a label she always found amusing and somewhat complimentary.

Former state legislator Merle Nelson, who worked as business manager of Ram Island during its infancy, thinks Monks is Greater Portland's "first lady of the arts."

"She represents the graciousness of a contributor to the arts in the true sense of the word 'patron.' She is a visionary. She was involved in the arts here when it wasn't fashionable and she was involved because it was right."

The naming of the trust in Monks' name, Nelson says, is "very appropriate. It feels just right."

Nelson's husband, Leonard M. Nelson, was chairman of the Maine Arts Commission during Ram Island's early years and credits Monks with ensuring a modern dance presence in Maine.

"Without her, there would probably be no professional dance activity in Maine," he says. "She was a unique voice at that time and place. She blazed trails in new directions, particularly in theater and dance."

Violist Julia Adams of the Portland String Quartet, which in its 20 years has performed on several occasions with the Ram Island dancers, says the entire arts community is indebted to Monks.

"All of us are grateful to a person like her, who has a vision that goes beyond one art form. Back then, 15 or 20 years ago, she was one of the key people who got the arts going here and she kept with it. Her dedication is genuine; she has been genuinely concerned about the community of the arts and the quality of life here."

While Monks has devoted most of her energy and consistently large chunks of her fortune to the Ram Island project, she has been equally generous to others, from the Portland Symphony Orchestra and String Quartet to Greater Portland Landmarks and the Maine State Ballet.

Beyond the confines of Maine, she has been a regular and significant contributor to museums, galleries and performing groups in New York, Massachusetts and Washington, D.C.

Born Millicent Sprague, she graduated from the Foxcroft School in Virginia and Sarah Lawrence College and studied voice at the New England Conservatory of Music, marrying finance executive and Republican activist Robert A.G. Monks in 1954, before earning a degree.

The couple now reside in Washington, but friends say privately that she yearns for the day they can return to the family estate in Cape Elizabeth on a full-time basis.

"Millie may be the type who moves well in Washington circles, but she's most at home right here," says one friend.

"She is a gentlelady in the same sense of someone being a gentleman," Nelson adds. "Portland is fortunate to have her."

NATIONAL HOSIERY WEEK 1989

Mr. HELMS. Mr. President, the week of August 13 to 19 will mark the 18th annual observance of National Hosiery Week. It is always a pleasure to take a moment to recognize the accomplishments of this enormously important industry.

Mr. President, 1988 was a banner year for the hosiery industry. While the textile industry as a whole continues to be plagued by a deluge of imports, the hosiery industry has been able to hold its own in the global marketplace in recent years. In fact, in 1988, imports represented just 3.7 percent of the U.S. hosiery market. That is especially significant since hosiery imports rose 14 percent in 1986 and 60 percent in 1985.

Also in 1988, exports of domestic hosiery jumped 22 percent over the 1987 level. The export figure of 6,857,683 dozen pairs is the highest since 1981.

Mr. President, the hosiery industry employs more than 68,500 in 414 plants around the Nation. While the industry has companies in 28 States, manufacturing is concentrated primarily in the Southern States: Alabama, Georgia, Kentucky, North Carolina, South Carolina, and Tennessee. Pennsylvania and New York are the main hosiery producing States in the North, and Wisconsin leads the Midwest.

The hosiery industry continues to make great efforts to improve productivity. These efforts not only make the hosiery industry more competitive, but also result in significant technological and design improvements in the manufacture of hosiery. For 1988, production rose again, up 3.7 percent over 1987, to 331,682,000 dozen pairs. This is an all-time high for the hosiery industry.

Mr. President, in many communities around the country, hosiery companies constitute a large part of the local economy. It is in these smaller communities where the hosiery industry makes its most valuable contribution. In many cases, a hosiery company will serve as the major employer in the area, providing good, stable jobs for its employees.

Mr. President, National Hosiery Week is of special importance to me because North Carolina is the leading textile State in the Nation and produces more than half the socks and pantyhose manufactured in the United States. North Carolina takes pride in the leadership of the hosiery industry and the fine quality of life that it has provided for so many people.

Once again, I'm proud to extend my appreciation to the hosiery industry and to its many thousands of employees, who make such an outstanding contribution to our Nation.

SDI IS NOT JUST A RESEARCH PROGRAM ANYMORE

Mr. JOHNSTON. Mr. President, I want to inform my colleagues of an important change in the Strategic Defense Initiative Program that funda-

mentally alters the basic purpose of the program we have been funding. President Reagan and supporters and critics of SDI alike within this body have all often said that SDI is a research program. That was the one point on which everyone agreed. That certainly is consistent with what we were told in every SDI report to Congress from 1985 through 1988. This year there has been a change, because SDI is not just a research program anymore.

Let me first describe what Congress was told before, beginning with the 1985 report to Congress. On page 10, it describes SDI as a research program and says:

As a research program SDI is focused . . . to bring defense options to the point where U.S. leaders, after consultation with the Allies, could make decisions on whether or not to proceed to the system development phase and subsequent deployment.

The report describes the systems development phase as what is known as the full-scale development phase. The report adds:

During this period prototypes of actual defensive system components would be designed, built, and demonstrated.

In other words, the design, construction, and demonstration of ballistic missile defense prototypes would come after, not before, the decision by U.S. leaders and the Allies to develop and deploy SDI. The reports for 1986, 1987, and 1988, convey the same message.

For example, in the transmittal letter of June 26, 1986, for the 1986 SDI report to Congress, Secretary Weinberger said:

The SDI research program is designed to provide the technical foundation for an informed decision by the President and the Congress in the early 1990's on whether to develop and deploy defenses against ballistic missiles.

There are many in this body who sometimes worry that we will wake up to read in the morning newspaper that SDI has conducted a test that puts us out of compliance with the ABM Treaty. After all, we learned from "Meet the Press" in 1985 that the Reagan administration regarded the ABM Treaty as meaning the opposite of what we had understood it to mean. The assurance that SDI was a research program, that SDI development would come only after a decision by the President and the Congress to develop and deploy, was reassuring.

Now this should be distinguished from the limitations of the ABM Treaty. By its literal terms the treaty prohibits both the development and the deployment of a nationwide ABM system. However, I understand that while the treaty is interpreted to prohibit the testing of ABM components or prototypes for such a system, it does not necessarily prohibit the design or construction of these components or prototypes. I suppose that this is a practical result of the difficulty of verifying design and construction of hardware. Testing we can verify.

Of course, if the United States began SDI full-scale engineering development, the Soviets would not sit on their hands and wait for some sign of a test. The ABM Treaty would be in dire jeopardy, as a practical matter.

There are good reasons why we would not want to move to develop SDI hardware until the President and the Congress, in consultation with our allies, decide to develop and deploy SDI. I suspect that even General Monahan himself would agree that we should not conduct the full-scale engineering development [FSED] of phase I of SDI unless we intend to deploy it. Why? Because that development cost will dwarf anything we've ever seen before on any prior weapons system. Normally, we don't enter FSED on a weapons system unless we are prepared to field it. It's just too expensive.

Now, Mr. President, how did all this change in 1989. Well, the transmittal letter of January 19, 1989, from Secretary Carlucci, for the 1989 SDI report to Congress says:

This program of research, development and testing would, if adequately funded, support a fully informed decision by the President and Congress in the future on whether to deploy a strategic defense of the United States.

This letter says that the formal decision by U.S. leaders will be as to deployment. The development, including testing, could apparently already have taken place prior to that decision point. This is a major conceptual change. In fact the report itself for 1989 says on pages 3-5:

The cutback in funding [due to the revised Five Year Defense Plan] affected all SDI-planned research and resulted in an SDI Program plan that adopted a revised program strategy. The strategy differs from that previously used in that all initial system technology will not be validated at the same time. Rather, technology for sensors and command and control functions will be validated first, then initial kinetic energy interceptors, and later advanced concepts, such as directed energy elements, for follow-on systems.

To put it in simpler words, until 1989, SDIO was proceeding with technologies in parallel so that all the necessary technologies would reach the respective milestone decision points at the same time. This year the strategy changed. Some technologies, those for sensors and BMC3, would get ahead of the others. More precisely, the weapons technologies for the space based interceptor were falling behind. The technologies necessary for the phase I system would be staggered in time. This is shown graphically in the 1989 Report to Congress on page 3-2.

Under the old promises to Congress, SDIO would not enter full-scale engineering development on any ABM components until the formal decision to develop and deploy. But SDIO couldn't make a credible case to Congress and the President on SDI full-scale development if some of the necessary, but less mature technologies weren't yet ready for full-scale development. The old promises to Congress put SDIO in a box. Thus, the promises appear to have been changed.

This year, President Reagan's budget request for fiscal year 1990 requested funding for full-scale development of SDI's phase I. Actually, the funding sought was for a sensor satellite, the Boost Surveillance and Tracking Satellite [BSTS], the only part of phase I technologically ready for such development. Later, the Bush administration dropped the request for three reasons. First, BSTS was not technologically ready to proceed to FSED. Second, ABM Treaty compliance was not yet established with respect to BSTS. Third, SDIO received advice from the Hill that moving to FSED on phase I was unwise politically.

On May 11, 1989, when General Monahan testified before the Defense Appropriations Subcommittee, I brought this issue to his attention. I presented him with a proposed amendment that in effect implemented the prior promises to Congress. I asked the General if he could live with it. It read:

No funds in this Act may be expended for the systems development or full scale development phase of SDI, during which prototypes of actual defensive components would be designed, built, or demonstrated, until the President and the Congress, after consultation with the Allies, make a formal decision on whether or not to proceed to the system development phase and subsequent deployment of SDI.

Yesterday, General Monahan responded by letter to this proposed language. The gist of his reply, as I read it, is that the assurance made to Congress in the SDIO Reports to Congress for 1985, 1986, 1987, and 1998, is no longer operable. SDIO will propose commencing full-scale engineering development on phase I—BSTS, at least—before obtaining a decision by the President and the Congress, on SDI development and deployment. So the prior policy has changed. SDI is not just a research program.

General Monahan offers the assurance that, as with any weapons system, SDIO will not enter into full-scale engineering development until the Congress authorizes and appropriates funds for it. So there will be year-to-year consultation with Congress, although I'm not sure what we tell our allies with whom we said we would consult before beginning full-scale development.

I think the Congress should hold SDIO to their original assurances. As a policy matter, we should not com-

mence the most expensive full-scale engineering program in history unless we and the President, after consultation with our allies, are willing to deploy what we are about to approve for development. Certainly, the Congress would say no to deployment if asked today.

I ask unanimous consent that Gen. George L. Monahan's letter to me of July 10, 1989, be included in the CONGRESSIONAL RECORD at this point.

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

DEPARTMENT OF DEFENSE, STRATEGIC DEFENSE INITIATIVE ORGANIZATION,

Washington, DC, July 10, 1989.

Hon. J. BENNETT JOHNSTON,
U.S. Senate, Washington, DC.

DEAR SENATOR JOHNSTON: Thank you for your letter of May 18, 1989, asking that we review language you are considering as an amendment to the Defense Appropriations Bill for fiscal year 1990 and thereafter.

I believe the language is unnecessary: the current legislative process demands consultation with the Congress before any weapon system enters full scale development. It is not possible to enter into full scale development without authorization and appropriation of funds by the Congress. Therefore, there is no way that any element of SDI may be deployed without consultation with the Congress and subsequent approval by the Congress through legislation. A good example is the SDI Boost Surveillance and Tracking System [BSTS], the first element of SDI that would enter full scale development and subsequently be deployed. Under current plans, we will request full scale development funds (the 6.4 category) in fiscal year 1991. The authorization and appropriation legislation for fiscal year 1991 will be the necessary authority and means to proceed.

Besides being unnecessary, the proposed language has other down sides. It could inhibit our pre-full scale development research activities, which are compliant with the restrictive interpretation of the ABM Treaty, because of the sometimes ambiguous interpretations of words such as prototype and development. Much of our research—development?—uses test hardware—prototype?—that is necessary for risk reduction in the pre-full scale development phase—known as demonstration/validation. I am very concerned that the proposed language would be interpreted by some as not allowing the demonstration/validation phase to proceed. This would preclude the President and the Congress from having the necessary technical data to make an informed development decision in the future.

I appreciate the opportunity to review the proposed language. I have sent a similar letter to the Chairman of the Subcommittee on Defense Appropriations.

Sincerely,

GEORGE L. MONAHAN, JR.,
Lieutenant General, USAF, Director.

CONSTITUTIONAL AMENDMENT ON FLAG BURNING

Mr. REID. Mr. President, amending the Constitution of the United States should never be taken lightly. But this is a matter that strikes at the very truths and principles by which we stand.

Our flag has always been there for us. It should never be burned. The Supreme Court decision is what should be burned.

And I am all the more inspired having been in Boulder City, NV, this July 4 and having seen the crowds at their annual Independence Day parade rise to their feet in proud respect as our flag passed.

People worldwide who watched the recent events in China saw a powerful symbol of American freedom on their TV sets: A statue of liberty that the Chinese students had made by hand. This symbol of freedom was destroyed by the Communist government when it massacred the students. We must not allow our flag, the greatest symbol of the most successful democracy in history, to be destroyed on our shores by the enemies of freedom.

I am proud to join my colleagues this day in sponsoring a constitutional amendment to protect our flag from being burned or desecrated.

THE IMMIGRATION ACT OF 1989

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. 358. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 358) to amend the Immigration and Nationality Act to change the level and preference system for admission of immigrants to the United States, and to provide for administrative naturalization, and for other purposes.

The Senate resumed consideration of the bill.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, if I understand the procedure at the present time, we are back on the immigration bill.

The PRESIDING OFFICER. The Senator is correct.

Mr. EXON. I have an amendment that I am prepared to offer at this time, and I would be glad to start by offering it. The managers of the bill, I think, will be here shortly. We do have, as I understand it, a one-half hour time agreement on this amendment, to be equally divided.

The PRESIDING OFFICER. That is correct, under the previous order.

AMENDMENT NO. 250

(Purpose: To Prohibit Federal Benefits for Illegal Aliens)

Mr. EXON. I claim whatever time is necessary of the 15 minutes assigned to this Senator at this time.

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

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Nebraska [Mr. EXON], for himself and Mr. KERREY, proposes an amendment numbered 250.

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

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

The amendment is as follows:

At the appropriate place in the bill, insert:

SEC. . (a) DIRECT FEDERAL FINANCIAL BENEFITS.—That on or after the date of enactment of this Act, notwithstanding any other provision of law, no direct Federal financial benefit or social insurance benefit may be paid or otherwise given to any person not lawfully present within the United States except pursuant to a provision of the Immigration and Nationality Act as amended; or as may be required by the Constitution of the United States.

(b) REIMBURSEMENT TO THE STATES.—No federal funds shall be used to reimburse States for benefit paid or otherwise given to any person not lawfully within the United States except pursuant to a provision of the Immigration and Nationality Act; or as may be required by the Constitution of the United States.

(c) DEFINITION.—For the purposes of this Act, the term "person not lawfully within the United States" shall be any person who at the time he or she applies for, receives, or attempts to receive such Federal financial benefit is not a United States citizen, a United States national, a permanent resident alien, an asylee, a refugee, a parolee, or a nonimmigrant in status, a temporary resident alien as conferred by Congress, those applicants for asylum determined by the Attorney General to be eligible for such benefits or other aliens determined by the Attorney General to be eligible for such benefits.

Mr. EXON. Mr. President, I am pleased to announce that my friend and colleague from Nebraska [Mr. KERREY] joins me as a cosponsor on this amendment. The amendment that I offer today is an amendment to establish a Governmentwide policy which states that direct Federal benefits shall not be paid to illegal aliens, unless specifically provided by the Immigration and Nationality Act or the Constitution.

In 1986, the Congress made good progress in the effort to control illegal immigration into the United States. By making it unlawful to hire illegal aliens, the Congress removed a powerful magnet for illegal immigration into this country. Unfortunately, another powerful magnet remains. That attraction is the real or perceived availability of Government benefits to illegal aliens.

I first introduced this legislation in April 1988, and hearings were held in the Senate Judiciary Committee. I reintroduced this bill in the 101st Congress and have written my colleagues about it in some detail. This legislation has been before the Congress and Members are familiar with it. The amendment has been only slightly

modified to meet the concerns of the bill manager, to give the Attorney General limited authority to deal with hardship cases.

Mr. President, over the years the Congress has crafted ad hoc qualifications in Federal benefit statutes. At times, due to congressional inaccuracy or expansive court interpretations, these statutes have been used to provide Federal financial benefits to illegal aliens.

This situation has led to the payment of Social Security benefits, health care benefits and housing benefits to individuals who have no legal right to even be in the United States.

If enacted, this amendment will end the uncertainty once and for all.

Studies focusing on this problem point toward an alarming and potentially dangerous drain on the Nation's financial resources if the payments are allowed to continue as they have in the past.

In 1986 the Social Security Administration reported that it paid more than $17 million to illegal aliens from Social Security funds.

The Social Security Administration estimated that by the year 2026, it could pay more than $8 billion in Social Security payments a year to illegal aliens each and every year.

This financial problem goes beyond the Federal level to the State, county and local governments as well. In 1983 the Arizona Hospital Association estimated that its taxpayers absorbed $4.4 million a year in unpaid hospital expense for illegal alien patients. It estimated this increased the costs of paying patients an average of $10.10 per day.

A 1980 study revealed that in Los Angeles County, CA, illegal aliens apply for $36 million in State social services each year. Some of these California State services were financed with Federal dollars.

In an era of massive Federal deficits, even small instances of waste, fraud and abuse cannot be tolerated.

The Federal Government must insure that limited Federal funds go to their intended beneficiaries. The Congress enacted a good law when it required the verification of status for certain entitlement programs and authorized the systematic alien verfication to be eligible for entitlement programs. This was better known as the SAVE Program.

However, these steps contained in the Immigration Reform and Control Act of 1986 can only be as effective as the interpretations of the various underlying benefit statutes. This amendment will make it clear that unless expressly authorized by the Immigration and Nationality Act, or required by the Constitution, direct Federal financial benefits will not be paid to illegal aliens.

I expect the opponents of this legislation to ask for sympathy for the illegal aliens who have come to depend on the generosity of Uncle Sam. They will certainly cite some compelling stories about illegal aliens in unfortunate situations. I am not unsympathetic. However, there are stories as dire and compelling among our own citizens as well.

When our Nation faces $150 billion budget deficits and the tight constraints of the Gramm-Rudman law, Federal dollars paid to an illegal alien, sympathetic or otherwise, are literally dollars taken away from our own citizens.

This legislation gives the Congress an opportunity to set the record straight and destroy the international folklore of Uncle Sam's deep pockets.

This measure is both a means to control illegal immigration and means to control budget deficits. Without the real or perceived attraction to Federal benefits, illegal immigration will be deterred. Without the seepage of benefits away from intended beneficiaries, money will be saved.

Simply put, Mr. President, this amendment states that Federal benefits should not go to those who are in the United States illegally. If my colleagues feel as I do, that taxpayers' dollars should not go to illegal aliens, I ask them to join me in support of this amendment.

I thank the Chair and reserve the remainder of my time.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, the Senator from Nebraska has hit upon an important issue, and one which we addressed in 1986. He states that the Federal benefits should not go to the illegal aliens. For the most part, that is already the law. In 1986 we reinforced that prohibition by enacting a nationwide verification program called SAVE, for systematic alien verification of entitlements.

Under the SAVE Program, States check with INS to ensure eligibility regarding any alien who applies for AFDC, Medicaid, food stamps, Federal housing, certain adult assistance programs under Social Security, unemployment compensation, and title IV education grants. GAO reported in March that these are being implemented satisfactorily nationwide. GAO pointed out that 91 percent of the relevant offices around the country are in full compliance.

So, I commend the Senator for bringing this issue to our attention and for his willingness to make some of the modifications we worked out yesterday. I do believe it is important to leave some flexibility with the Attorney General to address unforeseen circumstances and the Senator's amendment as now offered allows that.

One area in particular which may require further consideration is how the amendment affects Social Security. I understand that it is the Senator's primary goal in his amendment to clarify this.

I have every intention of supporting this, so I would simply ask that we continue to work together in good faith between now and the conference with Social Security experts to insure there are no unintended results. For example, what about an illegal alien who dies leaving his U.S. born children who are therefore U.S. citizens? Are they denied survivors' benefits?

What are we to do about persons who arrived illegally after World War II, had FICA withheld all their lives and now are retired? They may have benefited from the amnesty program by now, but perhaps they did not. Are they denied receiving the benefits for which they have paid in all their lives?

In addition, I do not know whether the savings which will come about will offset various retroactive file reviews which may be required, and the enforcement of the amendment's provisions, but I would hope that we could work together to adjust on this measure to take into consideration these concerns, where appropriate. For example, Social Security, which I understand may very well present some problems, should be clarified between now and the conference to try to address the particular issues I have mentioned.

Can I ask the Senator, is it the Senator's intent that the amendment encompass block grant programs such as community development and community service block grants where some illegal alients may benefit?

Mr. EXON. The answer to that question is "No." It is only direct benefit.

Mr. KENNEDY. As I say, I welcome the opportunity to support it. I would like to work with the Senator on those particular kinds of items I mentioned, as we reviewed overnight the areas which may be the most difficult in terms of the enforcement of the amendment.

We support the concept and support the objective of it and would like to work with the Senator. We urge the Senate to accept the amendment and we will work with the Senator between now and the conference to address those particular areas.

As I understand it, Social Security is one area which we would want to work with the Senator on. That is a principal matter of concern.

We are glad to urge the Senate to accept the amendment.

The PRESIDING OFFICER (Mr. REID). The Senator from Wyoming.

Mr. SIMPSON. Mr. President, I thank my friend from Nebraska, a

journeyman who came here when I did in the U.S. Senate.

I understand the amendment would firmly prohibit the provision of any welfare benefits to persons who are in the United States in an illegal immigration status. I am certain that many Members are asking why this amendment might be necessary since most welfare programs already require the beneficiaries be in legal immigration status, but there is a loophole in current law that has been created by a number of court decisions which allows welfare benefits to be provided to aliens in the United States who are here "permanently residing under color of law," which is a peculiar enough phrase in itself.

Thus, if the Immigration Service has not taken final action in deporting someone even if the alien does not have a proper legal immigration status, an alien may not be denied certain welfare benefits.

So I think this situation has frustrated many of our colleagues who are trying to control costs in the important area of entitlements.

We will vote on a debt limit extension in a few days of $3.2 trillion. I do not think the people of America have ever figured that out. We do not figure it out because nobody knows what that figure is. But it comes from entitlements, a great deal of it, and this dilemma becomes more serious then as the requirements of budget deficit reduction grow more critical.

My only real concern might not be appropriately placed on this bill. I think maybe Senator KENNEDY should address that. We are talking about legal immigration here and yet this amendment addresses a situation with illegal immigrants. Our friend JOHN CHAFEE, of Rhode Island, has already stepped through the boundary line in that area yesterday between legal and illegal immigration issues. I would certainly state I do not have an objection to the amendment.

Mr. MACK. Mr. President, I would like to make clear that by voting against the Exon amendment I am not advocating that illegal aliens be rewarded for breaking the law. But when Federal foreign and immigration policy fails so terribly leaving the States saddled with the cost of that Federal policy, something is very wrong.

There are huge flows of aliens flowing into the United States every day. The States have incurred great expenditures as a result. The south Florida community, for example, has embraced thousands of Nicaraguans providing them food, shelter, education, and medical services.

Florida taxpayers have already paid millions of dollars in basic services for the latest flow of Nicaraguans. Costs are expected to exceed $100 million.

The list of expenditures is endless.

Cost estimates for Florida in health care, police, corrections, and rehabilitation services are as high as $21 million over 12 months.

Dade County alone spent nearly $3.5 million in health care for indigent Nicaraguans in 1988.

The Bobby Maduro Stadium project to house homeless Nicaraguans cost Miami $200,000.

Nicaraguan students are registering at a rate of 28 a day; that's one classroom a day.

Costs continue to go unreimbursed by the Federal Government and Floridians continue to pay the bills. This is wrong.

Reimbursement to the States for failed Federal policy is something very different from direct cash assistance to illegal aliens. The principle behind the Exon amendment—to prevent direct cash payments to illegal aliens—is a sound one. But I urge my colleagues to recognize that prohibiting reimbursement to the States for costs incurred as a result of failed Federal policy is unjustified and unwarranted.

Mr. GRAHAM. Mr. President, I intend to vote against the amendment offered by the Senator from Nebraska.

In theory, his amendment makes sense. We should do everything we can to discourage illegal entry of undocumented aliens into the United States. It is absolutely vital that we maintain control of our borders and that immigration be managed in a lawful, orderly manner.

The Senator from Nebraska argues that the Federal Government should ensure that limited Federal funds go to their intended beneficiaries. We should not, he says, reward those who violate our immigration laws by providing them direct Federal financial benefits.

In theory, Mr. President, he is right. However, the reality is that the Federal Government has not done the job of managing our borders. Tens of thousands of undocumented aliens enter the United States every year and settle in a handful of States and communities. The failure of the Federal Government to enforce a rational immigration policy has cost communities in Florida, Texas, California, and elsewhere millions of dollars in emergency care, shelter, police services, education, and a host of other services.

The State of Florida is well acquainted with this reality. In the last 12 months, thousands of Nicaraguans have streamed into south Florida. In Dade County alone, over 6,000 Nicaraguan-born students registered for classes between July 1988 and May 1989. Mr. President, at this rate, the school system could have built one school a month in order to educate these students.

Jackson Memorial Hospital in Miami has already provided services to 7,000 Nicaraguans in 1988 at a cost to Dade County of $3.5 million. The city of Miami spent $200,000 housing Nicaraguans in the municipal stadium. The county estimates that it will spend more than $1 million on social services and law enforcement for this population in 1989.

Mr. President, Florida did not ask for this problem. Dade County does not have its own border patrol. We rely on the Federal Government to control our borders. Communities like Miami, Brownsville, Los Angeles, and Tucson bear the full brunt of this policy failure. They did not ask for this problem, yet they are forced to deal with its very human consequences.

Immigration control is a Federal responsibility. It is my position that the Federal Government should assume the primary financial responsibility for the community impacts caused by the immigration of refugees, immigrants, and undocumented aliens.

In short, Mr. President, this amendment allows the Federal Government to shirk that responsibility and shift it to State and local governments who do not have a role in establishing Federal immigration policy. I strongly object to this amendment and intend to vote against it.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. I thank the managers of the bill very much. I share the concerns of both Senator KENNEDY and the assistant minority leader and I will work with them in the future. They have correctly understood the interpretation of the amendment that I have offered. As I said in my opening statement, it is not new. It has been around for some time. In fact, I made specific reference to the fact that I introduced essentially the same piece of legislation last year.

Like any other legislation or any other amendment, it may not be perfect, but it seeks to address, I think, a very vital problem, some very big loopholes, and I assure the managers of the bill this Senator will be very pleased to work with them as we proceed if this amendment is accepted by the Senate, as I encourage the Senate to do.

Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. EXON. I am prepared to yield back the remainder of my time if that is acceptable to the managers of the bill, if they do likewise.

Mr. KENNEDY. Mr. President, I am prepared to yield back the time as well. But to notify Senators, I would like to have a brief quorum call.

I suggest the absence of a quorum with the time to be equally divided.

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The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. KENNEDY. It is our intention to urge the Senate to support the amendment of the Senator from Nebraska. In order to expedite the business of the Senate and the interest of the committees, we ask unanimous consent to temporarily set aside his amendment and proceed on another amendment. Then we will vote on his amendment after the completion of the debate and the discussion on the next amendment, if that is acceptable to the Senator from Nebraska. We appreciate his cooperation.

The PRESIDING OFFICER. Is there objection to the request of the Senator?

Mr. EXON. Reserving the right to object, but I will not object, I have a matter of clarification for assistance of scheduling the time of the Senator from Nebraska for the rest of the day. I appreciate the cooperation of the managers of the bill. I have no objection to stacking the vote on this following or before the next vote and have them together. In fact, we might even save some time if we could get unanimous consent to have maybe a 10-minute rollcall vote on mine if it is last or the other one if it is last.

Is there any approximate timeframe that the managers of the bill could give this Senator as to about what approximate time I might expect the rollcall vote on my amendment?

Mr. KENNEDY. If the Senator will yield, as I understand it, now we are going to consider the amendment of the Senator from Wyoming. There is a 1-hour time limit, equally divided. I do not think we will take all of that time, myself.

I would urge the leadership, then, to consider the request of the Senator from Nebraska and, after the vote on the amendment of the Senator from Wyoming, that we move immediately to his vote. And I would urge at that time it be a 10-minute vote. I believe that will be requested by the leadership.

Mr. EXON. If I understand it then, we could anticipate two votes sometime between 11:15 and noon; is that right?

Mr. KENNEDY. I would hope so, Mr. President.

Mr. EXON. I thank the managers of the bill. If it is in order, if they agree to yield back their time, I yield back the remainder of the time reserved.

Mr. KENNEDY. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back by both sides. There is a request before the Senate at this time that the pending amendment be set aside. Is there objection to that request?

Hearing none, that is the order.

AMENDMENT NO. 251

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

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Wyoming [Mr. SIMPSON] proposes an amendment numbered 251.

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

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

The amendment is as follows:

(a) on page 95, line 8, strike out "45" and insert in lieu thereof, "50";

(b) on page 97, after line 3, insert the following:

"(v) ENGLISH LANGUAGE ABILITY (20 POINTS).—For an alien who certifies, upon the date of filing a petition, subject to verification by examination after the date of selection, that he has an understanding of the English language and the ability to communicate in such language, 20 points."

(c) on page 98, line 6, strike out "65" and insert in lieu thereof, "80".

The PRESIDING OFFICER. The Senator from Wyoming is advised there is a 1-hour time limit on this amendment evenly divided between the Senator from Wyoming and the Senator from Massachusetts. The Senator from Wyoming is recognized.

Mr. SIMPSON. Mr. President, I thank the Chair for that description of the time agreement. I appreciate that.

Well, Mr. President, here we go with an amendment which will be thoroughly exciting to many. It is one of the toughest issues. We are talking about English language as being part of the point system. That was part of the bill when we passed it 88 to 4 last year. If you hear nothing else of the day's activity, I hope you hear that. The English language being 20 points in the 100-point system, was passed by this body last year, 88 to 4. That is a critical thing to remember.

So, when people stream in to do the debate about their heritage and the Statue of Liberty and all the rest that will come with that, I hope that they will recall that we passed this 88 to 4.

It is tough, emotional. The racist cry will go up. Let me tell you a little bit about my credentials in this area.

During the illegal immigration bill, there was an amendment put in on the bill by Sam Hayakawa, the Senator from California, which stated that English should be the official language of the United States. That was several years ago.

I said do not put that amendment on this bill. It is not an appropriate place to deal with that. That is an emotional, terrible issue. It has all the overtones of racism and struggle of bilingualism and all the rest. Senator Hayakawa said, I am going to go forward with it.

I fought the good fight. It passed 76 to 24. Democrats, go take a look at that rollcall and see the extraordinary array of liberals and conservatives and Democrats and Republicans who said that English should be the official language of the United States. That was a very short few years ago. It is fascinating.

I tried to ward it off. I did not vote for it. Go look and see those who did.

So now the amendment I am proposing would restore the English language ability to the point system only. That will be used to select only 9 percent of the total immigrants this bill, S. 358, would admit.

S. 358 already expands the number of independent immigrants who would enter the United States either because of a job offer of a U.S. employer or because they possess certan skills and qualities that would serve our country well: the national interest, we call that.

The skills that would have been recognized in S. 358 as originally introduced—this is the way this bill passed the Senate last time and the way it was originally introduced this time before we made the Simon adjustments. This is only for 55,000 visas out of 600,000, having to do with these qualifications in the point system: age, education, English language skills, occupational skills in short supply in the United States, and additional experience and training in a needed occupation. We think those are important parts of a point system.

An amendment at committee deleted the English language ability from that list of skills and I voted against that amendment.

What we find, and nearly every study indicates, is that immigrants with English language skills contribute to themselves and to the labor market more effectively and more immediately. It is to their benefit and best interest.

The Department of Labor's report "Work Force 2000" which has been quoted from time to time predicted that any labor shortages in the next decades will come in the skilled occupations where English ability, education, and computational skills will be essential and paramount.

The point system attempts to address this prospect by granting these 55,000 visas to persons with the skills and the qualities that our Nation is likely to be in absolute dire need of in the coming years. What the body has chosen to do in the last day and a half is to add more numbers of those who bring no discernible skills. Certainly they will bring inherent skills, they

will bring remarkable diversity. That is great.

But what we were trying to do and have tried to do throughout is to increase this diversity of the classic immigrant, that is the so-called immigrant that we think of these past days, and the independent categories and skill or bringing certain traits to the United States.

I want to say this: I do not in any way believe that English language ability should be the sole or controlling factor when admitting independent point system immigrants. In no way do I say that. But I think it is a very important variable in determining immigrant success and performance, and it should be considered along with these other factors when choosing independent immigrants only under the point system.

I emphasize again that under the bill, 91—and I hope again that this will be something my colleagues might hear—91 percent of all immigrants under this bill would not benefit from knowing English or suffer from not knowing English. It makes no difference in the other 9 percent of the persons admitted under this bill. Thus, family immigrants and business immigrants would not be included in the class of immigrants for who this English language ability is recognized. They were not even in this equation. However, for these 55,000 persons under this limited point system who will enter, and they will come in without any family ties—no family ties— or have a job waiting for them, English ability will serve them critically so and it will serve us as a Nation very well.

Some have criticized and will criticize this as a tragic departure from our Nation's heritage. That we will hear from our Nation's tradition, a return to the mean spiritedness, to the limitation of human endeavor and more. Oh, you will hear it all; that tradition of ours is not requiring an immigrant to have particular skills before he or she enters the country. Some of my Judiciary Committee colleagues noted that their relatives did not have to speak English when they entered, so we should not require a skill in these times. I hope that argument will be quickly dispatched. Our immigration laws moved away from this skills-neutral approach decades ago. For many years we have admitted aliens, and this is important, we have admitted aliens who, at the time of application for a visa, have advanced academic degrees, they have "exceptional ability in the sciences or the arts." I have not heard people object to those reasonable requirements. My immigrant ancestors certainly did not have Ph.D.'s or "exceptional ability in the sciences and the arts," nor do I imagine did many of our ancestors of many of our colleagues. Thus, we should approach the English language ability in the same way. It is simply another skill that immigrants in a very limited category might possess that would serve our country well and serve them well.

Let me emphasize that this amendment is not, despite the allegations of some, a proposal smacking of racist or ethnocentric overtones. If you wish to get a flavor of that debate, go back and look at the debate of Sam Hayakawa, the Senator from California, and those who pressed for his amendment and those who were resisting it. That is a curious amalgam.

And so we are here with this amendment which is nothing sinister. It simply restores the language which was passed in this body by a vote of 88 to 4 last year and which was in the original Kennedy-Simpson bill. Also, the English language as the official language resolution, when it was adopted on the illegal immigration bill, was in the original Simpson-Mazzoli bill. I do not care one whit if the English skill immigrant is from Nigeria, Jamaica, India, the Philippines or Belize. All are, interestingly enough, independent countries where English is commonly spoken, incidentally. I do not care at all where the immigrant is from. I am merely interested in seeing that he or she has the language skill which will assist his or her economic performance in a very limited category of persons under a very limited visa category under this bill.

However, I think if we recognize English language skills only in the point system, and that is what we do, affecting only 9 percent of the people under the bill, that will be good for public policy and it will not be a departure from the immigration laws of the past 40 years.

I will conclude, and reserve the remainder of my time, to share an incident with you that occurred during the debate on the illegal immigration bill. James Michener, the author, who I am proud to consider a lovely friend—he and Mari are special people—when he was writing his book, "Centennial," he visited with me in Cody, WY. We spent time talking about the cattle industry. He said, "Bring me some cowboys, let me talk." I said, "OK, I get to pick the cowboys and you can come and talk to them," and he did. There is no one like Jim Michener. He is the most curious, fascinating, probing, sweetest guy I have ever met, and his wife Mari, an extraordinary lady and a very gracious one.

Some of the things he said to me on that occasion I shall never forget. I intended to call him to a hearing but then we got deeply involved in illegal immigration. What he said, and I think I state it correctly, was this: The worst thing that could happen to the United States of America is bilingualism. That is what James Michener said. And at another hearing that same year, that is what Theodore White said who wrote the book, "The Making of the President." The worst thing that could happen to the United States of America would be a bilingual Nation.

There is a citation that India had 18 languages in its Constitution and was in disarray ethnically. He also said, if I paraphrase correctly and if I have not, I shall have another cherished letter from James Michener to keep in my collection, or maybe a phone call, something like this: We should embrace a public culture with a common flag and a common language. That is what he said. And that anyone may embrace and pursue their private culture in the privacy of their lives without any intrusion whatsoever, the right to be left alone. Interesting thing that came up in the Bork hearing—the right to be left alone. It does not quite say that in the Constitution. It is probably the most cherished right we have. And so they can have a private culture. If you want to go home at night and worship some object from outer space, that is your business. Whatever you do, that is your business, however, you live your life. But there is a public culture with a common language and a common flag in a pluralistic society. That is one of the reasons I think that this is an important consideration in a very limited area.

We are now a nation facing some critically strong challenges to provide large numbers of workers who can do the job. Look at the want ads. President Reagan used to get his lumps from saying I just looked at the want ads and I could not believe all the job opportunities that are out there, and they chided him on that. The reason that they are not filled is because they take a little extra level; they take a little extra soup; they take a little extra energy; they take a little extra education and that is what this point system does. It is going to be good for the country in whatever form it comes out. We have to have workers who can perform, not just "workers." That is why we get into that debate.

I do not want to open the door with my friend from Massachusetts on the minimum wage, but the training wage, the training period, those things, I do not know what is an appropriate length, but I do know we have a lot of people who are not just ready to work. They get the job and the employer says this guy is a squirrel, he does not do what I ask, does not understand and they fire him. That is the way it works in real life. Many people are hanging by their thumbs, small businesses, and this is a little leg up, people who can perform in an increasingly services-based economy.

So I encourage my colleagues to vote for the amendment and give a critical

and important edge to a very limited number of people in this bill as we face these tremendous labor market shortages of the future. I reserve the remainder of my time.

Mr. KENNEDY. Mr. President, I yield myself 5 minutes.

Mr. President, the Senator from Wyoming has correctly described the history of this particular provision. There are several reasons I had supported that particular proposal. We do not require English language for any refugees that come here. They are fleeing from persecution in fear of their lives, so we do not set that as a criterion. We do not require English language for any immigrants that come here because we put the highest value on the reunification of families. And when they come here because they have families, they come with contacts here and they have support systems here, making English unnecessary at first.

The only area where we had proposed that the English provisions apply was in the independent category as one of the ways to achieve some points. That war in that one limited area—as the Senator has correctly pointed out—comprising less than 10 percent, about 8 to 9 percent. So it is important to note that there is no language requirement for any other immigrant category.

Another point is that we have seen as a result of our hearings, in testimony from the various church agencies and from the Department of Labor, when we look at the history of both refugees and new immigrants, the individuals who are able to move into the economy most rapidly are the ones who develop English skills. That is the testimony we received. And it is part of the record. So I think it is understandably important, for the reasons the Senator has pointed out, in gaining early employment.

We are looking only at the independent category with this amendment—the individuals who come here who do not have the support systems, do not have the family here and are coming into a new land. As we are also going to require of these immigrants certain skills which are essential in terms of our own economy, unique skills that ensure they will be able to add to our economy—and the Department of Labor study will indicate what those skills are—we thought it also important that English be considered as well as a way to make those skills immediately applicable.

So that basically is the background as to how the English was put in the legislation as introduced, which I certainly supported.

Furthermore, it should be noted that English is required before individuals are able to obtain citizenship.

So that is the history, the background and the logic behind our original proposal.

There is no question, as the Senator from Wyoming has pointed out, that this issue has become a symbolic one to various groups. This in many respects has distorted the whole thrust of this legislation. That is the fact. It was certainly not the desire of the Senator from Wyoming or myself that inclusion of English in this one limited category result in such a distortion.

For the benefit of the membership, I wanted to explain why that provision initially was put in as a part of a point system. An applicant could fall into the independent category on the basis of accumulation of other points without the English language. There was no English requirement as a barrier to break through in order to qualify with the other points. It was just one of the items, for which points could be accumulated as part of a broader point system. But again there was no requirement that to get into the independent category you have to able to speak English. That was not required, but you did receive some points with English ability.

But there has been objection to this provision, and the committee made a judgment to strike that particular provision. There are Members, including my good friend and colleague and strong supporter of this legislation, our friend from Illinois, who will lay out the case in opposition to the position of the Senator from Wyoming. But I did feel compelled at least to give the history and the background of why the legislation that passed last year had the English requirement. So that very quickly is the history of this particular provision. I will have more to say a little later.

The PRESIDING OFFICER. The Senator's time has expired. Who yields time?

Mr. KENNEDY. I will be glad to yield 10 minutes to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 10 minutes.

Mr. SIMON. Mr. President and my colleagues, first I would like to mention another area that is probably a minor thing on this bill, and I did not prepare an amendment. I just mention to my colleagues, Senator KENNEDY and Senator SIMPSON, that the administration testified they felt this was not a good provision in the bill—I happen to agree with the administration—and that is swearing in in Federal court rather than going through administrative procedures. I think being an American citizen is important. I think you ought to have to go into Federal court. I hope maybe, even though we have agreement on amendments, we can get one small amendment which we can discuss for 5 minutes on each side and have another vote.

Let me address the matter at hand. I think we would make a great mistake if for the first time in the more than 200 years that this Nation has existed we were to say you get a priority for coming into this country if you can speak English before you come into this country.

It is very interesting that in the Judiciary Committee we had a very heated, very lengthy debate, questioning, probing, and the decision by the Judiciary Committee was 12 to 2 that we would not keep in the special points for English, and it was interesting to hear our colleagues speak. Senator SPECTER spoke about his parents coming over who could not speak English. He could not be here today. Senator LEAHY spoke about his grandfather who came over from Italy not being able to speak a word of English. He ended up being the largest employer in that community. I happen to be a mixture of English, Danish, and German, maybe some other things. I do not know that much about my background. But at least on the Danish and German side of me, those people would have had less of a chance of coming here.

Here is a very interesting article from the Washington Post, from Boston. It says 13 of the 17 valedictorians in Boston public schools this year are foreign born, the highest number officials can remember. And then listen to this. They come from around the world including from China—did not speak English when they came in—Vietnam—did not speak English when they came in—El Salvador—did not speak English when they came in—Portugal—did not speak English when they came in—France—did not speak English when they came in—Italy—did not speak English when they came in—Jamacia, there they did, and Czechoslovakia. The article goes on to say some arrived only in the last 5 years. Most could not speak English when they arrived and one is deaf.

Senator SIMPSON mentioned another point, that we are in danger of becoming a nation that is a bilingual nation. Now, I have not seen statistics for the last 3 or 4 years, but as of about 4 years ago a study was made which showed that there were more people at that point in the United States whose mother tongue was English than at any other point in the history of this Nation, and I have every reason to believe that is true today. If you were to check at the turn of the century, for example, a far higher percentage of American citizens had their mother tongue not being English than today.

There is no question anyone who comes here, who wants to function effectively, has to learn to speak English. Everyone knows that. But we should not for the first time in the Na-

tion's history exclude people who are not fluent in English.

Take a look at the membership of this body. Senator BENTSEN's forebears came from Denmark; Senator BOSCHWITZ, Senator BREAUX, Senator COHEN, Senator D'AMATO, Senator DASCHLE, Senator DECONCINI, Senator DOMENICI, Senator DURENBERGER, Senator HEINZ, Senator INOUYE, Senator KASSEBAUM, Senator KOHL, Senator LAUTENBERG, Senator LEVIN, Senator LIEBERMAN, Senator MATSUNAGA, Senator METZENBAUM, Senator MIKULSKI, Senator MURKOWSKI, Senator RIEGLE, and Senator SARBANES.

What do all these people have in common? Some of their forebears at least came to this country without the ability to speak the English language.

I think we have to recognize that we have people who come here who enrich this Nation immensely whose mother tongue is not English. We should not be tilting in that direction. We should not for the first time in the Nation's history pass an amendment that moves in that direction. I cannot believe that we will do that. If you were to check the gallery right now, if you knew the names of every person who came here and checked their forebears, I think you would find there are quite a few of them whose parents or grandparents or great-grandparents came over here without the ability to speak the English language. They learned it.

Absolutely let us make classes available to people who cannot speak the English language. But let us not adopt an amendment like this. I think it would be a great mistake.

Mr. President, I yield the remainder of my time to Senator KENNEDY.

The PRESIDING OFFICER. Who yields time?

The Senator from Wyoming.

Mr. SIMPSON. Mr. President, Senator SIMON, has been my friend for nearly 20 years. We legislated when I was in the Wyoming legislature and he in Illinois. I have known him for a long time and have a great respect for him. He made that very effective presentation in the Judiciary Committee, and it was effective except it does not have anything to do with this amendment. The reason is this: you voted on this once before by a vote of 88 to 4. No one seemed to think that there was anything quite akin to that dramatic presentation.

My name is ALAN KOOI SIMPSON, K-o-o-i is the middle name, and it is Dutch. My grandfather came here, was orphaned at an early age, worked as a clerk in the railroad, got on the train, went to Wyoming, went in the coal business in the mines, and then finally ended up owning a coal mine.

Some of the other string of relatives from Missouri went to Wyoming, fought in the Fort Fetterman battle. And then there are some other fascinating characters, people who were hung for doing various things, a rich tapestry of Americana. You know they did not all come over on the *Mayflower*. Some of them were brought in holds of ships.

So we really do not have a great record in that area of what we have done in our past. But all of us can say that. I used to say during the debate on immigration, illegal immigration, well, what is it you want us to do? But no fair quoting from the Statue of Liberty becase it did not say send us everybody you have, legally or illegally. That is not what it says on the Statue of Liberty. That is not what Emma Lazarus had in mind, and of course you get ripped around in that area. I have been there.

It is difficult for me to understand why so many of us have difficulty acknowledging the fact that English is the language of success. It does not matter what the success is, whether you are a waiter, a dishwasher, or a computer specialist. It is the language in America of success. It is the language of economic and social intercourse in the United States of America, in this Nation. No attribute or skill is more important in the obtaining of employment in the United States. If you want to know that, ask the employer. If the guy comes in to get a job and he does not speak English, the employer does not hire him. He says, "I haven't got time to teach this guy, this lady, this person the English language." That is not discrimination. I guess it is discrimination in the failure to communicate in the land where the language is English.

But I will tell you. Employment to people who really need it means self-sufficiency and more importantly it means self-esteem. You cannot have that in America unless you have some grasp, and we are talking about such a limited area. That is why—and I hope you hear this. I do not know what the Senate will do with this one. But in the House of Representatives they placed the provision in the Simpson-Rodino bill which required amnesty of aliens who learn English. That was placed in the U.S. House of Representatives. Do you not think it is going to get placed in there somewhere along the line again? I can assure you it is. That was placed in there by some remarkable Democrats and Republicans, and it was required they learn English before they were to get their green cards under the legalization process.

That is why we require knowledge of English for those who choose to become citizens. Hundreds of thousands of our immigrants never become citizens. The conversion rate from permanent resident to citizenship in regard to our neighbors in Mexico is 15 percent. They are in a position for years as permanent resident aliens where they can move on to citizenship and they will voluntarily choose not to, or 85 perent of them do not. That is I think an interesting subject.

But it surely is in their best interests and our Nation's best interests to understand the language of this country as they live and as they work here.

One other thing, and I want to address it. It appeared in the "Dear Colleague" letter of my friend from Illinois. There has been a contention by some that under a point system where English skills are recognized that an "English speaker with an eighth-grade education could get more points than a French-speaking engineer." I would like to address that briefly. That is simply not the case.

Someone with an eighth-grade education only gets no points, zero. Someone with an eighth-grade education and with English language ability gets 20 points.

Education is 25 points.

Someone with English language ability gets 20 points. Someone who is an engineer must have a bachelor's degree and thus would have 20 points and may even have an advanced degree, and that would receive 25 points. In addition, an engineer might be in a category that would receive additional points for his occupational skills which an English speaker with only an eighth-grade education would not. Thus, an eighth-grade educated English speaker would receive 20 points. A French-speaking engineer would receive from between 20 and 65 points, assuming we are not discussing points for age. Thus the contention somehow that the eighth-grade educated English speaker gets more points than a French-speaking engineer is incorrect.

I have a chart to enter in the RECORD. It shows very clearly under the point system for a 25-year-old with the attributes just discussed, and the total points is indeed more for the Ph.D., more for the person—in fact they are actually about equal. Seventy points for the 25-year-old, eighth-grade education in English, and 75 for the 25-year-old with the Ph.D. and no English.

So I think I want to express that to you because that did come up. It did not come up in this debate, but it came up in debate in the committee.

I think I shall reserve the remainder of my time. How much time is remaining?

The PRESIDING OFFICER. Seven minutes.

Mr. SIMPSON. I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, I yield such time as the Senator from Illinois may consume.

The PRESIDING OFFICER. The Senator from Illinois is recognized for

such time as he may consume, up to 17½ minutes.

Mr. SIMON. Mr. President, I agree with 90 percent of everything Senator ALAN SIMPSON just said. My distinguished colleague from Wyoming is absolutely correct when he says English is the language of success. There is no question about that. That is not the question before this body.

The question is, Should we require that and give extra points for that for people before they come into this country? For example, again, using this Boston public high schools example, this year, 13 of the 17 valedictorians at Boston public high schools this year were foreign born. All but one, aparently, were from a country where their parents probably did not speak English. Under this amendment, their parents would have a very, very tough time coming into this country.

My colleague talks about the 88-to-4 vote last time in the U.S. Senate. That was on the whole immigration bill. My guess is, you did not have 10 people in this body—I do not mean this disrespectfully, but we frequently do not know the details of legislation that comes before us—who knew there was such a provision here.

Senator SIMPSON mentioned that one of the enlightening things out of this—and Senator SIMPSON mentioned his middle name, and I did not know that before. He mentioned that Dutch middle name of his. I want to see that people, whether they are Dutch or German or Italian or they come from Malawi in Africa or Thailand in Asia, or wherever they come from, if their mother tongue is not English, that they have a chance to immigrate to this country.

I do not want to see us, for the first time in the Nation's history, set a different precedent. Absolutely, once people are here, learn the English language. Senator SIMPSON is absolutely correct when he says English is the language of success. Make classes available to people so they can learn English, but do not exclude people because they have not acquired the English language.

Now, on the point system, let us just take two non-English-speaking professionals, one 36 years old gets 5 points; a high school education, gets 10 points, undergraduate education, he gets a total of 25 points. Let us say that his counterpart is an English-speaking person, who is a high school dropout. He gets a total of 30 points. He gets precedent over the person who is the professional.

I do not think that makes sense. That is why the Judiciary Committee, after discussing this—and we had a lengthy and heated debate—by a 12-to-2 vote in the Judiciary Committee, we defeated the position of Senator SIMPSON. I think the Judiciary Committee acted wisely, and I hope the Senate will act wisely.

I know of no one else on this side who wants to add to the debate. Let me just check. I will yield back my time. If the Senator from Wyoming wants to do the same, then we can proceed to a vote on this.

The PRESIDING OFFICER. Thank you, Senator. The time is yielded back.

Mr. SIMPSON. Mr. President, I do not yield back the remainder of my time.

The PRESIDING OFFICER. The Chair recognizes the Senator from Wyoming [Mr. SIMPSON].

Mr. SIMPSON. Mr. President, I understand one of our Members on our side needs a little notice before we get to the vote. I have 7 minutes, I think, remaining.

The PRESIDING OFFICER. The Senator has just under 7 minutes.

Mr. SIMON. How much time is remaining on this side?

The PRESIDING OFFICER. The Senator has 13 minutes and 29 seconds remaining on the Senator's side.

Mr. SIMON. Mr. President, it is most interesting to me, again, to hear the comment about the Ph.D. and the eighth grade student. I am going to enter this graph into the RECORD as if read in full. Both of them have the same points, 10 for age. Eighth grade would have none for education. The Ph.D. would have 25. English then, over to the other 25-year-old with the eighth grade education, he gets 20 for English, and the Ph.D. gets zero. Occupation, both get 20. Work experience, both get 20, and the Ph.D. gets 75 points and the eighth grade education gets 70.

Now, that is the way that is.

Mr. SIMON. Will my colleague yield?

Mr. SIMPSON. Yes.

Mr. SIMON. If I could insert the same point, where non-English-speaking professional, compare the points, together with the English-speaking high school dropout and put in those two also, so we have a couple of comparisons here in the RECORD.

Mr. SIMPSON. That is perfectly appropriate.

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

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

Points for	25-yr-old with 8th grade education and English	25-yr-old with Ph.D. and no English
Age	10	10
Education	0	25
English	20	0
Occupation	[1] 20	[1] 20
Occupation (work experience)	[1] 20	[1] 20
Total	70	75

[1] Maximum.

Non-English-speaking professional:	Points
36 years old	5
High School	10
Undergraduate	10
Multilingual	0
Total	25

English-speaking high school dropout:	
34 years old	10
No high school	0
English skill	20
Total	30

Mr. SIMPSON. Mr. President, I think as the Senator from Illinois read the list of those of us with remarkable ethnic backgrounds and the heritage of immigration—and I hope my colleagues will let me know—I doubt that few, if any of the forebears or Members of the Senate had Ph.D.'s, or perhaps even skills in short supply when they immigrated here. I do not hear any objection to awarding points for those attributes. I ask my friend from Illinois, I wonder, because one of the amendments that awaits our addressing here is an amendment from the Senator from Illinois for job offer. I wonder how many of our ancestors ever had job offers here. And, yet, my friend is going to propose to offer an amendment giving points for a job offer in the United States. I think that is a rather remarkable thing to be doing and, yet, resisting this. How many prospective immigrants have ever had that attribute? Not many. Only a few.

In this situation, it is going to affect only a few, and in this situation it is only going to affect very few, about people from one country or countries who are adversely affected; so as we get into this game, we have to be players throughout.

The pressures are tremendous. I know what that is. This is one of those issues where if you flipped off the light, you would get a whole different vote. If you flipped off the lights and shut the place down and said score it up, nobody gets a tag, you would have a real series of votes on this. It would be fascinating. I understand those pressures. I understand the pressure of reelection for my friend from Illinois. I understand the strain that comes to others in other States, because in this situation you have a situation where never before has the Asian community been so galvanized. They have learned, bless them, the political process, better than any group I have ever observed in 10 years. They know how it works—fundraisers, office calls, the whole works. They have it down. I am going to give them a grade A.

The Hispanic groups have always had a tremendous passion about this. Why not? They are the people most affected. But meanwhile, if you want to get into ethnicity, and that is what

people bring up here, the background of this is racism and ethnicity and all that stuff. You still find that the blacks are the most disadvantaged in America, and the most affected by unlimited immigration or unlimited illegal immigration. That is who is most affected. Who speaks for them?

Who speaks for the exploited? Who speaks for the middle Europeans? They were the ones in the flow originally and now all of those, 36 countries, are adversely affected by our present legal immigration system where 85 percent of the people come in in connection with family reunification, including nieces, nephews, brothers-in-law and sisters-in-law while we exclude spouses and children of permanent resident aliens.

Now you are going to come up with a bill of some kind. If it is going to be just like it is right now you have not done a thing. You have snorted and ripped and rolled around in it and just given birth to a mouse. That is what you will have done in immigration reform because of the heat, and then the American public will sit around and watch for awhile and the next time we come to an unemployment crunch you are going to find some ugly stuff come. That is too bad. That is what will happen. Forget whether it should happen. I do not want to hear any more talk about the heart and the soul. We have heard that. But heart and soul disappears when you cannot get work and you see other people from other groups. It has happened in India. It has happened in Belgium. It has happened in every other country where they have this kind of stirring. That is the way it is, too.

May I inquire of the remainder of my time.

The PRESIDING OFFICER (Mr. ROBB). The Senator has 36 seconds remaining.

Mr. SIMPSON. Thirty-six seconds? I want to reserve that very swiftly because I think my friend from Illinois will have a comment.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, I think we are prepared to yield back. Whatever remaining time I will yield to the Senator from Illinois or we will yield back.

Mr. SIMPSON. Then let me expel the remainder of my 36 seconds, Mr. President.

The PRESIDING OFFICER. The Chair recognizes the Senator from Wyoming [Mr. SIMPSON] for 30 seconds.

Mr. SIMPSON. Thirty?

The Boston public school example is irrelevant to this debate. Whatever immigration or refugee provisions these bright kids come in under we have not changed those provisions one whit. Hear that. This provision only applies to 9 percent who will come under a new category. It will not affect all the other categories which will continue as they are under this amendment.

The PRESIDING OFFICER. The time for the Senator from Wyoming has expired.

Mr. SIMON. Mr. President, will the Senator from Massachusetts yield 1 minute to me?

Mr. KENNEDY. I yield the remaining time to the Senator.

The PRESIDING OFFICER. The Senator from Illinois [Mr. SIMON] is recognized, reclaiming 1 minute from the time originally yielded back.

Mr. SIMON. Senator SIMPSON is correct when he says this only applies to 10 percent of the immigration.

The question is whether for the first time in the Nation's history we should suddenly have this kind of a special preference for people who speak English.

I think it is unwise. I think our history has been a rich one, one where we pulled people in from many nations—the Swedes, the Danes, the Germans, the Italians, the Dutch, the people from Africa, the people from Asia, the people from Latin America. We are a richer nation for it.

But let us not move in this direction, and again I would simply remind my colleagues this amendment was defeated 12 to 2 in the Judiciary Committee.

I think the Judiciary Committee after a lengthy and heated debate made the right decision.

The PRESIDING OFFICER. All time having expired, the question occurs on the amendment.

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum with the time not to be charged against either side.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. KENNEDY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wyoming. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Hawaii [Mr. MATSUNAGA] is absent because of illness.

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

The result was announced—yeas 43, nays 56, as follows:

[Rollcall Vote No. 110 Leg.]

YEAS—43

Armstrong	Garn	Nunn
Baucus	Gorton	Pell
Bond	Gramm	Pressler
Burdick	Heflin	Roth
Burns	Heinz	Rudman
Byrd	Helms	Sanford
Chafee	Hollings	Shelby
Coats	Kasten	Simpson
Cochran	Lieberman	Stevens
Cohen	Lott	Symms
Conrad	Lugar	Thurmond
Dole	McClure	Wallop
Exon	McConnell	Warner
Ford	Murkowski	
Fowler	Nickles	

NAYS—56

Adams	Glenn	Mack
Bentsen	Gore	McCain
Biden	Graham	Metzenbaum
Bingaman	Grassley	Mikulski
Boren	Harkin	Mitchell
Boschwitz	Hatch	Moynihan
Bradley	Hatfield	Packwood
Breaux	Humphrey	Pryor
Bryan	Inouye	Reid
Bumpers	Jeffords	Riegle
Cranston	Johnston	Robb
D'Amato	Kassebaum	Rockefeller
Danforth	Kennedy	Sarbanes
Daschle	Kerrey	Sasser
DeConcini	Kerry	Simon
Dixon	Kohl	Specter
Dodd	Lautenberg	Wilson
Domenici	Leahy	Wirth
Durenberger	Levin	

NOT VOTING—1

Matsunaga

So the amendment (No. 251) was rejected.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the amendment was rejected.

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

The motion to lay on the table was agreed to.

VOTE ON AMENDMENT NO. 250

The PRESIDING OFFICER. Under the previous order, the vote occurs on the Exon amendment No. 250. The question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Hawaii [Mr. MATSUNAGA] is absent because of illness.

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

The result was announced—yeas 93, nays 6, as follows:

[Rollcall Vote No. 111 Leg.]

YEAS—93

Adams	Coats	Glenn
Armstrong	Cochran	Gore
Baucus	Cohen	Gorton
Bentsen	Conrad	Gramm
Biden	D'Amato	Grassley
Bingaman	Danforth	Harkin
Bond	Daschle	Hatch
Boren	DeConcini	Heflin
Boschwitz	Dixon	Heinz
Bradley	Dodd	Helms
Breaux	Dole	Hollings
Bryan	Domenici	Humphrey
Bumpers	Durenberger	Inouye
Burdick	Exon	Jeffords
Burns	Ford	Johnston
Byrd	Fowler	Kassebaum
Chafee	Garn	Kasten

Kennedy	Mikulski	Sanford
Kerrey	Mitchell	Sarbanes
Kerry	Murkowski	Sasser
Kohl	Nickles	Shelby
Lautenberg	Nunn	Simon
Leahy	Packwood	Simpson
Levin	Pressler	Specter
Lieberman	Pryor	Stevens
Lott	Reid	Symms
Lugar	Riegle	Thurmond
McCain	Robb	Wallop
McClure	Rockefeller	Warner
McConnell	Roth	Wilson
Metzenbaum	Rudman	Wirth

NAYS—6

Cranston	Hatfield	Moynihan
Graham	Mack	Pell

NOT VOTING—1

Matsunaga

So the amendment (No. 250) was agreed to.

Mr. EXON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Chair recognizes the Senator from Pennsylvania [Mr. SPECTER].

AMENDMENT NO. 252

(Purpose: An amendment to the Immigration Act of 1989 to increase the number of business sponsored immigrants)

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

The PRESIDING OFFICER. The clerk will report.

Mr. KENNEDY. Mr. President, could we have order in the Senate?

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Pennsylvania [Mr. SPECTER] (for himself, Mr. DECONCINI, Mr. LUGAR, Mr. GORTON, and Mr. GRAMM) proposes an amendment numbered 252.

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

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

The amendment is as follows:

(a) in subsection (a) of section 102 by striking "120,000" in the new "section 201(d)" [8 U.S.C. 1151(d)] and inserting "150,000",

(b) in subsection (a) of section 103—

(1) by striking "5" in the new "section 203(b)(1)" [8 U.S.C. 1153(b)(1)] and inserting "4",

(2) in the new "section 203(b)(2)" [8 U.S.C. 1153(b)(2)]—

(A) by striking "23" and inserting "28", and

(B) by inserting ", plus any visas not required for the class specified in paragraph (1)," after "worldwide level",

(3) in the new "section 203(b)(3)", [8 U.S.C. 1153(b)(3)",

(A) by striking "23" and inserting "28", and

(B) by inserting "plus any visas not required for the classes specified in paragraphs (1) and (2)," after "worldwide level,", and

(4) by striking "4" in the new "section 203(b)(4)" [8 U.S.C. 1153(b)(4)] and inserting "3.2".

AMENDMENT NO. 250

Mr. EXON. Mr. President, will the Senator yield for 30 seconds without losing his right to the floor?

Mr. SPECTER. Without losing my right to the floor, Mr. President, I ask unanimous consent that the Senator from Nebraska may be recognized

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

Mr. EXON. Mr. President, I appreciate the courtesy extended by my friend from Pennsylvania.

Mr. President, I neglected to indicate previously that Senator HARKIN wanted to be a cosponsor on the amendment. I ask unanimous consent that he be added at this time as an original cosponsor to the amendment that has just been agreed to.

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

Mr. EXON. I thank the Chair, and I thank my friend from Pennsylvania.

Mr. HARKIN. Mr. President, will the Senator yield for 1 minute?

Mr. SPECTER. Mr. President, I yield to the Senator from Iowa without losing my right to the floor.

The PRESIDING OFFICER. Without objection, the Chair recognizes the Senator from Iowa for 1 minute.

Mr. HARKIN. I thank my friend from Pennsylvania for yielding out of order on this.

I wanted to thank my friend and colleague from Nebraska [Mr. EXON]. I am on the Committee on Appropriations that deals with a lot of these funds that will go out dealing with Social Security programs. I hear time and time again, not only from Iowa but from other places, about why they are taking cuts and being forced to pay more for health care and increases in premiums, and yet people who have not paid 1 cent to the system are illegal aliens taking out of the program.

Again I want to compliment the Senator from Nebraska for a great amendment, one that will cut down on fraud, waste, and abuse in the Social Security System, and make sure the intended beneficiaries are the ones getting the benefits, and not the people who are illegal aliens in this country.

I want to thank my friend for his leadership on this issue.

Mr. EXON. Mr. President, I thank my friend and colleague from Iowa. I appreciate the fact he is a cosponsor. I apologize for not putting him on as I intended to earlier. He has now a chance to follow through with his important responsibilities in the Appropriations Committee to help us out in the implementation of this.

AMENDMENT NO. 252

The PRESIDING OFFICER. The Senator from Pennsylvania [Mr. SPECTER] has the floor.

Mr. SPECTER. I thank the Chair.

Mr. President, the amendment that has been submitted has been proposed on behalf of Senator DECONCINI, Senator LUGAR, Senator GORTON, Senator GRAMM, and myself.

Mr. President, this amendment would provide for 30,000 additional visas for immigrants, and it would seek to increase the cap provided in the existing legislation so that workers who are skilled in a variety of contexts could be admitted.

This amendment has the support, very broadly based, of the U.S. Chamber of Commerce, the American Council on International Personnel, the National Foreign Trade Council, the American Council for Nationalities Services, the American Immigration Lawyers Association, the A. Philip Randolph Institute, the Chicago Committee for Immigrant Refugee Protection, the Cuban-American National Council, the Indochina Resource Action Center—just illustrative of the kind of support which is present.

I ask unanimous consent that the organizations in support of this amendment be printed in the RECORD at the conclusion of my statement.

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

(See exhibit 1.)

Mr. SPECTER. Mr. President, the amendment providing for 30,000 additional visas for business immigrants will be divided equally between the third and sixth preference categories. The third preference category is for members of professions and persons of exceptional ability in the sciences and the arts. The sixth preference category is for skilled workers in short supply.

Mr. President, under current law 54,000 visas are provided for in these categories, and Senate bill 358 would raise that number to 55,000 divided equally, an increase of only 1,000.

Mr. President, the experience has demonstrated that there is a significant demand for more business visas. More than half of the current 54,000 business visas are used for family dependents. I do not quarrel with that allocation. But the result is that less than 25,000 visas actually go to the workers.

Beyond that, Mr. President, the waiting period for the third preference in the exceptional worker category is approximately 1 year. And the waiting period for skilled workers in the sixth category is approximately 3 years.

In January of this year, 1989, a State Department report on immigrant visa categories estimated that the current 1989 business immigration demand is approximately 85,000. An increase in the business-sponsored visas, Mr. President, will not affect U.S. workers. The employer of a business immigrant must obtain, according to this amendment, Labor Department certification,

and according to existing law actually—that "no qualified U.S. workers are available" for the position to be filled, and employment of the immigrant will not harm the wages and working conditions of other workers in the United States. Therefore, providing additional business-sponsored visas will also not affect the availability of visas for family-sponsored immigration which is in a separate immigration category.

Mr. President, there can be little doubt that there would be enormous benefit to our country if we were to have an addition of these highly skilled people who are in great demand currently in the United States. And the list of companies which have endorsed this legislation—Smith Kline Beckman, BASF Corp. Rohm & Hass, McGraw-Hill, North Texas Immigration Coalition, not a company, Deloite, Haskins and Sells, Microsoft Corp., International Paper, Pechiney Corp., POMA of America, Inc., and others—have come forward because of the particularly acute need which they have for immigrants in this category.

The principal objection which has been advanced by the distinguished managers of the bill, Senator KENNEDY and Senator SIMPSON, has been that the amendment would call for an increase above the current cap of 600,000 allowed in from the legislation. I join with many of my colleagues who have spoken about the bill in complimenting Senator KENNEDY and Senator SIMPSON for their extraordinary diligence in bringing this bill to the floor. And really for their extraordinary diligence over the past decade or more.

I heard Senator SIMPSON speak frequently and eloquently about his "10-year sentence" on the Immigration Committee and subcommittee, which he chaired for many years. There has truly been an outstanding job done by Senator SIMPSON and Senator KENNEDY in bringing forth this legislation.

I submit, Mr. President, that there is no magic in the number of 600,000, and that obviously immigration is a matter of great importance to the United States, and certainly, it is of great importance to the individuals who seek admission to the United States.

I believe, Mr. President, that we ought to be constantly reminded of the roots of our country and the roots of our country being the immigrants, of course, in addition to the Indians, who are native Americans. This country has become a great country because we have been a country of immigrants, and my own preference, Mr. President, would be to have a number significantly larger than 600,000, providing that there could be a national control, in the interests of our country, which would have a qualitative effect on those who are being admitted into this country.

I come to this issue, Mr. President, with a point of view, you might even say a substantial bias, because my parents were both immigrants. My father came to this country in 1911 at the age of 18 from Russia. It was not the Soviet Union then. He came to this country to escape the czar's boot. He did not want to be constricted. He came with no rubles in his pcoket, having come in steerage from Russia. My mother came to this country at the age of 5 with her family, who came from a section of Russo-Roland which had changed hands many times. That gives me, obviously, a very decided view of the status of an immigrant.

I regret that I could not have been here earlier to discuss other amendments, but I have been occupied as vice chairman of the Hastings impeachment panel, which requires my attention, where we have established hours from 9 to 5:30, with an hour-and-a-half for lunch. I thank the managers of the bill for accommodating my schedule to be able to offer this amendment, substantially during the luncheon break. I would have liked to have been present to have discussed the issue of the English speaking preference. I did so in the subcommittee, and I believe that it bears on the amendment which is now on the floor.

My own view is that speaking English ought not to have a preference, and I say that basically because my father could not speak English when he came to this country, but he had great potential. My mother was only 5 when she came, so the fact that she could not speak English at that time was not determinative.

Our family has produced—both my father's family and my grandparents on my mother's side have produced a scientist, artist, and doctors, and some lawyers. My son is a lawyer. My father came to this country, and he could not speak English very well. He was a soldier in World War I, where he was a doughboy with the exhalted rank of buck private, when he served his country in Argonne Forest and sustained shrapnel in the leg. The shrapnel stayed with him until the day he died.

I respond, perhaps viscerally, but very strongly against the issue of having a preference for English, and I am glad to see that it was soundly defeated. When the amendment came before the Judiciary Committee, it lost, as I recollect, on a vote of 10 to 2, and even some in subcommittee changed their views, when we had the vote in the Judiciary Committee. I think if more Senators had a chance to study the impact of the limitation on English and the potential that has been produced in this country by immigrants who could not speak English, that the vote would have been much more lopsided than it was, rejecting a preference for those who could speak English.

Mr. President, I think that some significant improvements have been made in this bill otherwise. There was an amendment offered yesterday by Senators HATCH and DECONCINI, and I will take just a moment to express my own view that, had I been present on the floor or had an opportunity to submit a written statement, I would have supported that amendment strongly, as I did vote for it, which set an annual floor of 216,000 visas for the family connection categories to ensure that family preference immigration is not eliminated over time.

I make those comments, Mr. President, to express my own views on the value to this country to have immigrants. We should not be parsimonious and we should not be excessively restrictive in keeping down the number of immigrants. There is no magic in the number of 600,000. The distinguished Senator from North Carolina had offered an amendment very similar to the one that I am offering, except for the proposition that he would have taken the number from the 600,000. I understand the position of the distinguished Senator from North Carolina, and we have discussed the matter, and our differences are slight. My own view, as I have expressed to Senator HELMS, has been my concern about not eliminating others who might gain access to this country.

An argument was made that the last amendment on English-speaking preference should be passed because it only affected 9 percent. Well, this Senator feels very strongly about 1 percent. This Senator feels very strongly about one immigrant, because there is an immigrant well known to this Senator, who, if he had not gotten into the United States; namely, my father, Harry Specter, it would have made a tremendous difference. So I think each place is of vital importance, and I would not want to sacrifice one place, let alone 30,000 places, which this amendment would provide.

The existing quotas, numbers, allowances, will be in place, whether this amendment is agreed to or not, and that is as it should be. I do not think that any individual ought to be deprived of the opportunity which he or she would have had, but for this kind of an amendment. I realize the ease of the adoption of this amendment, if we were to displace 30,000 other people. I think that would be fundamentally unfair. But if you take a look at this amendment strictly on its own merits, in terms of what is the value for the United States in having well-qualified people who would be admitted into these categories, and the demand which is present to have these skilled workers, to have these technicians and

scientists, it would be tremendous for the United States.

It would give us increased technical know-how, productivity, additional income; it would add to the tax base in this country. And my own view is that there is absolutely no reason why those people ought to be excluded, whatever may happen to the rest of this immigration bill.

Mr. President, I ask how much time I have remaining.

The PRESIDING OFFICER (Mr. ADAMS). The Senator has 30 minutes and 35 seconds.

Mr. SPECTER. I am almost up to the 15-minute mark which is long enough for any speech.

So I yield the floor at this time and reserve the remainder of my time.

Mr. DECONCINI. Mr. President, will the Senator yield 5 minutes of his time?

Mr. SPECTER. I am delighted to yield.

Mr. DECONCINI. Mr. President, I rise to support the amendment offered to S. 358, the Kennedy-Simpson legal immigration reform bill, by Senator SPECTER. I am glad to be a cosponsor of this amendment. I believe that the amendment will help us better achieve the objectives of the overall bill.

I congratulate my colleague, Senator SPECTER, for offering the amendment.

The bill, in my opinion, is coming along very well and improving day by day. I would like to see this addition added to it. I am sure that the Senator from Wyoming would want to talk a little bit about it.

In recent years, we in Congress have strived to resolve the related problems of unrestrained illegal immigration and of unbalanced and discriminatory legal immigration. That is really what we are trying to do here. None of us are perfect and none of us have all the answers, but I think the bill that the Senator from Pennsylvania has offered is a constructive one. Although I opposed Senator SIMPSON's immigration reform and control act which aimed at controlling illegal immigration into this country, I do believe that it ought to be given a fair chance to operate. It is appropriate that we now turn our attention to the related problem of legal immigration into the United States. That is what we have before us today.

The Kennedy-Simpson bill purports to put a ceiling on legal immigration into the United States. It is important to realize, however, as we discuss amendments which, for various reasons, attempt to raise this so-called cap or ceiling. And we talked about that at some length today that there really is no ceiling. Legal immediate family relatives are permitted with no limitation whatsoever. Because there are no limits, either in current law or in S. 358, on the available number of visas for immediate relatives, there is really no absolute cap on legal immigration into the country. So we are not talking about a cap from the fact of how many we are going to permit in.

I think that it is important to remember then that we are talking about exceeding a ceiling that does not exist.

We are talking about a level. We are talking about a reference to what we would like to see perhaps as a cap or something. We are talking about a level. In addition, the discussed number of 600,000 is continuously brought up, that this is the recommended level, this is as high as we are going to go, but it is not a legislative cap.

This imaginary ceiling could have just as easily been lifted.

As I understand the amendment of the Senator from Pennsylvania, it merely lifts the figure. This figure instead of being 600,000 could just as well be 610,000 or 630,000 or 650,000. The Senator from Pennsylvania suggested it be the 630,000 figure that would result and does result in the amendment that is before us today, and it makes good sense. I hope it is adopted.

The question that we should keep in mind as we discuss legal immigration is not total numbers or numbers for each category, but whether those individuals represented in those numbers and categories have meritorious arguments for being allowed to come into the United States. In my opinion, we should have a balance between allowing immigration based on family reunification and allowing immigration based on other reasons such as the benefit to our own Nation, and because of humanitarian reasons as well. Although S. 358 does attempt to strike this balance, I believe it errs in not including more visas for skilled and professional workers who are in short supply in the United States.

The Specter amendment will add 30,000 visas to the legal immigration visas allowed under the present U.S. law. These additional visas will be equally divided between the third preference, which under S. 358 requires an immigrant to have an advanced degree or exceptional ability in the sciences, arts, or business, and the sixth preference, which are granted to skilled workers. These visas would only be available on an employer-sponsored basis and only after a certification by the Department of Labor that no U.S. workers are qualified or available to occupy a particular position. The Department will only issue such certification after a rigorous and thorough examination of the available pool of American workers.

I believe that the amendment that my colleague from Pennsylvania has offered and that I am joining him in today helps to achieve the stated purpose of S. 358. That purpose is to achieve a better balance between those who are allowed to immigrate to the United States because of family connections and those that are allowed to immigrate because their presence will in some way be beneficial to this Nation. I believe that both these categories, family connection and independent potential to contribute to the quality of life in the United States are important and are beneficial; but I believe that we should increase the number of immigrants chosen because their particular job skills are beneficial to the United States.

I urge my colleagues in the Senate to support the Specter amendment.

This is a good amendment, Mr. President. It helps directly the United States and it is going to be beneficial to the work force here, also protecting American jobs at the same time.

I thank my friend from Pennsylvania.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

If no one seeks to use time, the time will be equally deducted from both sides.

The Senator from North Carolina.

Mr. HELMS. Mr. President, may I inquire what the time situation is?

The PRESIDING OFFICER. The Senator from Pennsylvania has 24 minutes remaining. The managers of the bill have 45 minutes remaining.

Mr. HELMS. Very well.

I thank the Chair.

The PRESIDING OFFICER. Who yields time?

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Who yields time? The time is controlled, I would state to the Senator from North Carolina, between the manager of the bill and the Senator from Pennsylvania with time reserved to the Senator from North Carolina for 60 minutes for a second-degree amendment.

Mr. HELMS. Senator SPECTER is not on the floor at the moment. I wonder if the distinguished Senator from Massachusetts would yield me such time as may be necessary to make a parliamentary inquiry.

The PRESIDING OFFICER. Does the Senator from Massachusetts yield so the Senator may make a parliamentary inquiry?

Mr. KENNEDY. How much time do I have?

The PRESIDING OFFICER. The Senator has 44 minutes.

Mr. KENNEDY. I will yield the Senator 10 minutes. Will that be enough?

Mr. HELMS. I will not need that much time.

Mr. President, under the unanimous-consent request that was approved thre is nothing to prevent the offering of a second-degree amendment that has been cleared?

The PRESIDING OFFICER. I will read to the Senator what was in the unanimous-consent agreement last night. It says as follows:

A Specter-DeConcini amendment increasing employer-sponsored visas, 90 minutes equally divided; A Helms second-degree amendment to the Specter-DeConcini amendment relevant to the subject matter of the first-degree amendment, 60 minutes equally divided.

The Parliamentarian informs me, and I will so state to the Senator, that that amendment will be in order upon the expiration of the time for the original first-degree amendment.

UNANIMOUS-CONSENT AGREEMENT

Mr. HELMS. That was my point. Absent a unanimous-consent agreement, of course, an amendment can be second degree at any time.

Just to get the show on the road, since we are apparently waiting for other people to speak, let me propound a unanimous-consent request with reference to my second-degree amendment which is on the list.

First of all, that it be in order, and it be in order for me to offer it now so it can be under consideration simultaneously, so that we could save time on the consideration of the two amendments.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from North Carolina?

Mr. KENNEDY. I have no objection.

The PRESIDING OFFICER. There being no objection, it is so ordered.

The Senator from North Carolina.

Mr. HELMS. I thank the Chair. One final thing. Will I complicate the life of the Chair and the Parliamentarian if, in the effort to expedite matters, I start using some of my time?

The PRESIDING OFFICER. The Senator has the right to use his time and the Chair will state that the Chair will count the time that the Senator is using against the Senator's time. But the time will not start to run until the Senator offers his amendment.

Mr. HELMS. That is correct.

The PRESIDING OFFICER. Therefore the Chair will have to use the Chair's discretion as to whether the debate is on the second-degree amendment or the first-degree amendment. But for now, the Senator from North Carolina is recognized to offer an amendment at which time the time will start to run under the agreement just agreed to.

Mr. HELMS. I thank the Chair.

Noting the arrival of the distinguished minority whip, I will yield the floor so that he can make his remarks and then I will proceed.

The PRESIDING OFFICER. Who yields time?

The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I want to thank the Senator from North Carolina for his willingness to get the ball rolling, so to speak, on this matter. I intend to speak on the Specter amendment for maybe 3 or 4 minutes. Unless there are other reasons, then perhaps the Senator from Wyoming would speak for 3 or 4 minutes and then I would be prepared to yield back the time, depending on the desire of the Senator from Pennsylvania, and then get right to the Senator from North Carolina. I do not want to discourage his presence here because we are moving along, but that might be a way of moving ahead.

I do not know the desire of the Senator from Pennsylvania. I will be glad to debate this at whatever length he would like to debate it. It is a pretty straightforward amendment. I think the membership understands what is involved in the amendment. I have no objection, in principle, to the amendment of the Senator from Pennsylvania, but I would not support it as an amendment on this bill at this time. We have tried to work out, during the course of the consideration, a real balance between what we were going to do on the family reunification and what we are trying to do in terms of the special skills. We have addressed that issue in the sixth preference, particularly, by requiring higher skills. And we address the issue by adding new categories within the independent category.

I think the bill itself reflects this balance. The greatest thrust of the bill is on family reunification. There is an increasing emphasis on skills with the combination of the third and sixth preference in the independence category. We have a balance now with regard to those two provisions.

Although I have no objection to the concept, I do not think that that is the balance which has been supported and worked out. It is the reason I would urge the Senate not be willing to accept the Senator's proposal.

For this reason I will oppose the Senator's proposal when the time comes to vote.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. I thank the Senator from Massachusetts and I thank Senator SPECTER for his diligence. He discussed this amendment in the Judiciary Committee. Also Senator HELMS has discussed his proposal.

I am reluctant—"torn" would be a good word—on this because it is an issue of raising the national level of immigration. For that reason I would have to oppose it.

I may be wrong and I think the debate is showing me some fascinating things and I like to learn and I am. Is the American public perhaps ready for unrestrained legal immigration? I did not think that. I still think if we had a vote on that, whether the people of the United States prefer unrestrained, uncontrolled, legal immigration, that that would not succeed. Yet slowly that is what we are doing here. We have already increased the immigration levels by over 20 percent in this bill, 22 percent. With the Hatch amendment, Hatch-DeConcini, the number of immigrants admitted will grow each year. We still have our studies and our reports from the President.

In those circumstances, I just do not believe we should raise it any more significantly. I assure you, however, I am not opposed to providing more visas to independent immigrants. I like that idea. I think we ought to be doing more and more of that.

So, the more the better with regard to the independent immigrants, the point system grants, people who bring special skills and abilities, people then in the family reunification who are closest family: spouses and children. Not nieces and nephews and brothers and sisters-in-law. That is where we have gone now down that road. And I have already indicated that.

So I do not have a bit of a problem furnishing new visas and I have indicated that in a "Dear Colleague" letter. But any increase in business-related immigration must come within the existing level. That is my feeling, the existing level in the bill. And, in addition, any such increase must not simply steal numbers from the point system but it has to also get some numbers from the family and independent immigrant categories when reallocating. You cannot do it to one and leave the others out.

I would be glad to discuss any compromise with the sponsors. We have a second-degree amendment. We will come to that under the order. But if the only proposal from the sponsors is to violate what I think are the wishes of most Americans and increase immigration by 30,000 visas above the Kennedy-Simpson original 22-percent increase to the immigration levels, I regretfully must vote against the amendment and encourage colleagues to do the same.

I think I have stated my conflict in that area. Those are important numbers for important things for American business and for American commerce. We just cannot keep adding them. If we are going to take them off, we cannot take them from one area. We have to take them from all. I thank the Chair.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I was tempted for a moment to add two new cosponsors to the amendment, Senator SIMPSON and Senator KENNEDY, when I heard Senator KENNEDY accepted the amendment in principle, and I heard Senator SIMPSON say he was torn, in conflict. I say that in jest because I understand fully their concern is on the total number.

I would certainly join my distinguished colleague, Senator SIMPSON, in not taking actions in violating the wishes of most Americans, but I do not know that the wishes of most Americans are embodied in the level of 600,000 or any arbitrary number. I see no national referendum on the subject. I do not necessarily trust the polls, but I have not even seen a poll upon that subject.

It may be true most Americans wish to have an orderly process for how much immigration there will be, and the alternatives posed by my amendment are simply stated as this: We have a bill as proposed by Senator KENNEDY and Senator SIMPSON as modified. Then you have as an alternative, an additional 30,000 people to come in who both Senator KENNEDY and Senator SIMPSON agree are meritorious individually if you could take it out of the existing number. That is not the choice as I have proposed it. The choice of the existing number standing or 30,000 more of these well-qualified people which Senator SIMPSON puts very well that he would like to see "more visas to independent immigrants," that is precisely what we have here.

The number 30,000 does not come out of the air, Mr. President. The number 30,000 comes from a survey by the State Department which has been agreed to by those who are knowledgeable in the field of immigration that there are that many people, 85,000, who want to come each year, who are available to come each year, who are ready to come, who have jobs waiting for them. They are not going to take existing jobs. There has to be a certification by the Department of Labor that they do not take existing jobs. So this is a rational number based upon evidence.

Absent this kind of an amendment, bear in mind, Mr. President, and I do not want to be unduly repetitious, but I think this is an important fact, that those waiting in the third preference, that is exceptional ability in the sciences and the arts, have to wait a full year to come in. So the United States is deprived of their talents for a full year, and that delay discourages many from coming in. The waiting period for skilled workers in the sixth category is approximately 3 years. Here again there are jobs which are awaiting them. A long list of companies have written in supporting this bill, in addition to the U.S. Chamber of Commerce, where they want specific people to come in and they cannot get them.

Part of the limitation is because more than half of the existing 54,000 number comes in from workers' families and dependents, which is appropriate and necessary. So we are not reaching 55,000 now. So that on this date of the record, Mr. President, I think the evidence is very strong that we ought to make this deviation. We have had a good bill proposed by Senator KENNEDY and Senator SIMPSON. There have been some modifications, some limitations, not a whole lot, but certainly the reasons for adding these 30,000 are very, very strong, compelling for the business interests of this country, compelling for the humanitarians of this country. I thank the Chair and yield the floor.

Mr. KENNEDY. Mr. President, I want to give the assurance to the Senator from Pennsylvania that this will certainly be one of the aspects of the bill that we will look at again in 3 years. We have increased the total numbers by 22 percent. That is a greater increase than I think many of us believed would be the case at the start of the debate and the discussion. The needs of this country may very well, in the areas of special skills be even greater in 3 years. This will be an area that we will look at and review very closely. It is not something that we take lightly, but with the increase that we have made, we have increased it in a way that reflects a balanced program.

As I mentioned, while I do not have any objections in principle, it seems to me to violate a crafted adjustment that was worked out in committee. Therefore, I would vote against the Senator's amendment. I withhold the remainder of my time.

Mr. GORTON. Mr. President, I am pleased to join Senators SPECTER and DECONCINI as an original cosponsor of the business immigration amendment to S. 358, which adds 30,000 visas per year for business-sponsored immigrants to the third and sixth category. A third category visa requires a degree or capability in science or business. A sixth category visa requires an undergraduate degree or a job which requires at least 2 years of experience or training. I believe that immigration that immediately contributes to our society should be an objective of our policy on legal immigration.

This amendment is needed because the Kennedy-Simpson-Simon bill addresses both independent and family sponsored immigrants, but inadequately provides for the categories of immigration most relied upon by the business industry. presently, business immigration is limited to 54,000 visas per year, and has remained at this level for decades. Over half of these visas are allocated to dependents of immigrants admitted to the United States under business categories for immigration.

In view of the small number of visas now allocated to business immigration, there are severe backlogs and time delays in transferring highly skilled or professional personnel to U.S. businesses. Many businesses in my State, both small and large, service and manufacturing, which are representative of the national economy as a whole, must wait at least a year for professionals and international personnel with exceptional ability, and almost 3 years for other workers for which the U.S. Department of Labor has certified a shortage of U.S. workers. Obviously, it is extremely frustrating for the employer to plan on the presence of the employee in the United States on a permanent basis, given these delays.

With current demand for about 85,000 business immigrants per year, additional visas are needed to help ease the extensive delays in the admission of workers with specialized skills. The proposed business immigration amendment will alleviate an extremely troublesome problem and, at the same time, enhance American competitiveness by the skills which these new Americans bring to American businesses. I urge my colleagues to support this important amendment to increase business-sponsored immigration.

Mr. SPECTER. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. KENNEDY. I am prepared to yield back the remainder of the time on the Specter amendment.

The PRESIDING OFFICER. The Senator from Massachusetts has indicated he will yield back the remainder of the time.

Mr. SPECTER. Parliamentary inquiry, if we yield back time, will the vote then occur on my amendment?

The PRESIDING OFFICER. The second degree amendment by Senator HELMS would then be in order to be offered. Then at that point, under the unanimous-consent request, the time would begin to run under Senator HELMS' amendment. That would be voted upon, and then the first degree amendment would be voted upon.

Mr. SPECTER. How much time is allowed for Senator HELMS' second degree amendment?

The PRESIDING OFFICER. Sixty minutes has been set aside for that amendment.

Mr. SPECTER. And under whose control?

The PRESIDING OFFICER. That is under the control of Senator HELMS as the proponent and the managers of the bill, if they wish to oppose it.

Mr. KENNEDY. I will be glad to yield under our time whatever time the Senator from Pennsylvania wishes.

Mr. SPECTER. If I may have 15 minutes of the 30 minutes?

Mr. KENNEDY. Mr. President, how much total time is there?

The PRESIDING OFFICER. The managers have 30 minutes in opposition. The proponent has 30 minutes to propose and argue for the amendment.

Mr. SPECTER. If I may have 15 minutes—it will probably take less—and I will yield back the remainder of my time so we can proceed to Senator HELMS' second degree amendment.

The PRESIDING OFFICER. The Senator from Pennsylvania has requested and the Chair is prepared to rule on what the managers wish to state. Is there objection to allocation of time by the managers? Without objection, it is ordered that the Senator from Pennsylvania shall have 15 minutes in opposition to the amendment. The managers of the bill will have 15 minutes in opposition to the amendment, and the Senator from North Carolina has 30 minutes to propose and to control the time in proposing the amendment.

Both sides, the managers and the proponent of the first degree amendment, have yielded back the remainder of their time. Therefore, under the unanimous-consent order entered, the Senator from North Carolina is recognized to propose a second degree amendment.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina. The Chair will state that we are at the present time without time running in anyplace. Does the Senator wish to offer his amendment?

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 254 TO AMENDMENT 252

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

The PRESIDING OFFICER (Mr. HARKIN). The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 254 to amendment No. 252.

Mr. HELMS. Mr. President, I ask that further reading of the amendment be dispensed with.

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

The amendment is as follows:

In lieu of the language proposed to be inserted, insert the following:

On page 77, line 15, strike "480,000" and insert in lieu thereof "460,000".

On page 78, line 10, strike "120,000" and insert in lieu thereof "140,000".

On page 90, line 18, strike "9" and insert in lieu thereof "6".

On page 91, line 23, strike "9" and insert in lieu thereof "10".

On page 92, line 13, strike "5" and insert in lieu thereof "3".

On page 92, line 18, strike "HOLDING ADVANCED DEGREES".

On page 92, line 20, strike "23" and insert in lieu thereof "32".

On page 92, line 22, strike "holding advanced degrees".

On page 93, line 18, strike "23" and insert in lieu thereof "32".

On page 94, line 12, strike "4" and insert in lieu thereof "3".

On page 94, line 13, strike "level," and insert in lieu thereof "level or 2,800, whichever is greater,".

On page 95, line 6, strike "(2),".

Mr. HELMS. Mr. President, I regret that I must oppose the Specter amendment, because I agree with his objectives, which is to increase business visas. However, the Specter-DeConcini amendment increases the level of immigration by an additional 30,000.

The underlying bill, as amended, increases the level of immigration to 816,000. I do not think Senators are fully aware of this fact.

Mr. President, let me explain. Yesterday, the Hatch amendment was approved by the Senate. The Hatch amendment has the effect of increasing the level of immigration by an additional 216,000.

I daresay if you asked four Senators, they would not realize that with one simple amendment by the Senator from Utah [Mr. HATCH] the number of immigrants coming into this country was increased by one-third.

Mr. President, we are all compassionate. We are all descendants of immigrants. But we have to make up our minds where our immigration policy is going.

As I said yesterday, our immigration policy should be based on America's best interest and what is right for America.

As a matter of fact, based on what I hear as I go around the country and around my State, I do not think that the American people will stand for such increases. There are many polls available to all of us and the ones I have seen indicate that the majority of Americans oppose any increase in immigration.

Mr. President, I support an increase in the number of business visas as long as we do not increase the overall level of immigration.

Therefore, my amendment provides 34,400 more business visas without increasing the national level.

Yesterday, I explained why we need more skilled workers coming into this country.

It is a question of policy. As I said at the outset, the question before the Senate is simple. What is in the best interest of America?

Mr. President, Lyndon Johnson stated during his 1964 State of the Union Address, we should be less concerned with setting immigration policy based on what country you come from and ask instead, "What can you do for our country?"

Obviously, I agree fully. We simply must develop an immigration policy that is in the best interests of America, America as a whole. We must not have a policy based primarily on a desire of some citizens to be reunited with distant relatives.

Mr. President, the pending amendment addresses the need of America by increasing the availability of skilled-based, business visas, in order to bring in people who are sorely needed by business and industry in this country. As a result, we can increase the productivity of our country and become more competitive in the world market.

America needs a policy that encourages skilled workers and people with exceptional abilities to come here. Unfortunately, our current system discourages them from immigrating because there is always a 1- to 3-year wait for skill-based, business-related visas under the third or sixth preferences.

I cannot tell you how many calls and letters I have had from my own State, from business and industry saying we need help bringing in more skilled workers.

They say, "We need their skills but we cannot get through the barriers and the delays."

So, obviously, American companies are having difficulty recruiting highly skilled workers who have crucial and critical knowledge of international markets and pioneer research.

If a business has a need for skilled workers and those workers cannot be found in this country, the business loses its competitive edge by having to wait from 1 to 3 years to achieve its labor needs.

How do we expect America to remain competitive if our businesses and our industries face labor shortages in critical areas in our country and cannot bring in the skilled workers they need? So we must not shoot ourselves in the foot again with misguided immigration policy.

The additional numbers for employer-sponsored visas in the pending

amendment will help reduce the delays for immigrants with skills or exceptional ability. Obviously, this will allow businesses to find enough skilled workers and thereby maintain a competitive position in the international markets.

It is interesting to me, and it is a measure of our lack of judgment in the past, that skill-based, employer-sponsored visas account for only a small percentage of the overall number of visas.

Would you believe, Mr. President, that only 10 percent are skill-based, whereas the other 90 percent are based on family connections. The tail is wagging the dog in terms of what is best for America.

Mr. President, as we debate the issue of legal immigration, we must keep in mind one fundamental concept and that is for America to remain a great country, we must have an immigration policy based on the needs of our country, our Nation, our industry, our business; we must have a policy focused on what is in the best interest of the American people.

Mr. President, I reserve the remainder of my time and I thank the Chair.

The PRESIDING OFFICER. Who yields time? The Sentor from Pennsylvania has 15 minutes.

Mr. HELMS. Mr. President, before I yield the floor I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I would seek to inquire from my distinguished colleague from North Carolina the differences between the amendment, the second degree amendment which he is currently proposing, from the amendment which he proposed yesterday. I have been reading through the amendments in the CONGRESSIONAL RECORD. I think it might expedite an understanding, at least the understanding of this Senator, if the distinguished Senator from North Carolina could state the differences.

Mr. HELMS. Mr. President, if any Senator is concerned about the possibility of our taking away family based numbers, let me assure him, that this amendment does not touch the fifth preference. This pending amendment takes the numbers out of the excess in the first and second preferences, and out of the point system.

Mr. SPECTER. I thank the Senator for that. The information which Senator HELMS provided to this Senator was to the effect that, out of the first preference, there be some 10,000 positions taken and out of the second preference some 11,000 positions taken. In addition, from a schedule which the distinguished Senator from North Carolina made available to me in the cloakroom before the second-degree amendment was offered, the amendment will take some 2,000 out of special immigrants in the second category denominated "independent," and some 2,000 in the second category independent under the label of "employment-generating investors" and of selected immigrants from the point system——

Mr. HELMS. No. Let me say to the Senator, I consulted with other Senator including the distinguished minority whip, Mr. SIMPSON. Let me read precisely what the amendment contains now. If you are looking at the current Kennedy-Simpson-Simon bill: 20,000 come from family; 10,000 come from the first preference; and 10,000 come from the second preference. Second, 14,400 come from other independent categories; 12,400 from the point system; and 2,000 from special immigrant categories.

That is the amendment as it now reads and is now pending.

Mr. SPECTER. I thank the distinguished Senator from North Carolina.

Mr. President, I agree with much of what the distinguished Senator from North Carolina has said in terms of an articulation of what is in the best interests of the United States and that we ought not care what country the immigrants come from, but what can those immigrants do for the United States. And that the concern ought to be on productivity and competitiveness in the world market. Senator HELMS has recited the calls which he has received from people in his State. This Senator has received similar calls and similar requests. It was on the basis of those calls and requests, and from quite a number of organizations, including the U.S. Chamber of Commerce, attorneys for the immigration societies, that this amendment has been offered.

The amendment with the Senator from North Carolina is offering is very close to the amendment which he offered yesterday. It is similar if not identical in principle, because he sought to add yesterday some 37,200 visas, contrasted with 34,400 in this second degree amendment. And he sought to take them out of the category, as I understand it, of the fifth preference and that amendment, offered by the distinguished Senator from North Carolina, was defeated yesterday by a vote of 71 to 27.

I believe it is fair to say that the vote reflected the sentiment of this body that we ought not to deprive any potential immigrant from existing categories from coming to this country, even if it meant bringing in highly skilled professionals and that the numbers which had been worked out for each category in the existing bill ought to be maintained and respected. I believe that it is fair to say that, simply by substituting other preferences, in going to the first preference which involved unmarried adult sons and daughters of citizens for the second preference, spouses and children of residents, and limiting that group by 11,000; unmarried adult sons and daughters of citizens, that the American people do not want to eliminate that category of potential immigrant or the 11,000 which the Senator is proposing, from spouses and children of residents or the 14,400, which I believe was the figure he just recited from special immigrants.

So that the reality is that based upon the very decisive vote yesterday, 71 to 27, that it is not the will of this body to reduce existing categories in order to have this business-sponsored category to help with productivity.

As the vote is currently structured, there will first be a vote on Senator HELMS' second-degree amendment, and I would urge my colleagues to reject that amendment really on the basis that it has already been decided, substantially. Certainly there are some changes but in principle it has been established that this body, 71 to 27, does not want to eliminate existing preferences for the highly skilled category.

The second vote will be on my underlying amendment which provides that we can have the objectives which the distinguished Senator from North Carolina talks about so eloquently: The productivity objective, the competitiveness in the world market responding to the calls which he has received and I have received and so many others have received.

So I would ask, Mr. President, that the second-degree amendment be rejected, very much as a similar amendment was yesterday, and that the Senate then face a vote on its underlying consideration of adding 30,000 additional because the 600,000 is not a magical figure, for reasons I outlined in my earlier presentation.

I would inquire of the Chair as to how much time I have left from my 15 minutes?

The PRESIDING OFFICER. The Senator has 6 minutes left.

Mr. SPECTER. I thank the Chair and yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, I understand we have 15 minutes. I will just take 2 or 3 minutes to indicate I hope the Senate will reject the amendment of the Senator from North Carolina and the amendment of the Senator from Pennsylvania.

As has been pointed out in this debate, the Senator from North Carolina would take some 20,000 from the family preferences. Nearly half of this cut would be from the sons and daughters of American citizens. While that particular category is underutilized worldwide, one country is already

backlogged and several others are using the maximum allowed under current law. He would move the worldwide total down to 14,000. Thus it would keep out many sons and daughters of American citizens who would otherwise be able to come here.

Second, he reduces the numbers in the second preference—the spouses and children of permanent residents. He reduces that by 11,000. There is already a significant backlog in place today, and with the amnesty program that permitted over 3 million people to adjust their status, there will be permanent-resident aliens who will not be able to be united with their wife and their children.

He is reducing these two family categories for the skill category after we have already added to the skill categories by increasing the skill levels needed in third and sixth preference and also providing skilled workers through the selected immigrant category. It does not go as far as the Senator from Pennsylvania would like to go, but it certainly is important progress over the existing law.

For the reasons I have outlined, I would hope the amendment of the Senator from North Carolina would be defeated. In addition, because of the increase by 30,000 above the national limitation, which is basic, and is built upon a 22-percent increase over present law, I believe that the amendment of the Senator from Pennsylvania ought to be rejected as well.

Mr. SIMPSON addressed the Chair.

The PRESIDING OFFICER. The Senator is recognized on the time of the Senator from Massachusetts. The Senator has 12 minutes left.

Mr. KENNEDY. I yield to the Senator.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. SIMPSON. Mr. President, this second-degree amendment is taken from the earlier Helms substitute amendment which would preserve the national level of immigration but reallocate the number of visas so that family-connected immigrants would dominate less and business-sponsored immigrants would receive additional visas.

As I stated when the Senate discussed the Helms substitute, I believe that is not bad policy. I think that is good policy. It is a policy I like. I think more independent immigrants, more business immigrants, breaking this lock of this remoteness of family reunification, is in the national interest. I know that is controversial. I think there is no doubt we should admit a larger number of immigrants because they possess certain skills and qualities that will serve our country well.

S. 358 would increase both the number of family-connected immigrants and the number of independent immigrants. The Helms amendment now would hold family-connected immigration at approximately the current levels, as I read it, while increasing the number of independent immigrants significantly. That is what Senator SPECTER is trying to do, except Senator SPECTER is adding numbers and Senator HELMS is crunching numbers placing them within the national level of immigration.

That approach is something I agree with, that we should have a national level. It would not reduce family-based immigration below present levels—well, it does—no, not below present levels. That is a correct statement, but it would increase the number of immigrants who enter because U.S. employers have requested them and if the Department of Labor has gone through their certification process that no U.S. workers qualify and are available to fill those positions. The original Helms substitute did change the fifth preference definition and, thus, I voted against it because the earlier Helms amendment violated the agreement I previously made with Senator KENNEDY and Senator SIMON. However, the Helms second-degree amendment does retain the fifth preference, as in current law.

In addition, the present second-degree amendment has the other beneficial qualities regarding increasing independent immigration and it stays with my philosophy of reaching the national level of immigration, not a cap. That is not what we have ever called it. Others have. In this situation, I would intend to support the Helms amendment since it does not violate my agreement with my comanagers and others I have discussed this measure with and it gets toward the same things except it does not increase numbers, it pulls them within the present numerical national level of immigration.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

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

The PRESIDING OFFICER. The Senator has 18 minutes 45 seconds.

Mr. HELMS. I thank the Chair. Mr. President, this legislation is so intricate and so complex that I find that even sometimes the managers of the bill do not follow all the figures.

My amendment does not affect sons and daughters. I repeat for emphasis, it does not affect sons and daughters for most countries. The current demand for first preference visas, and that is the sons and daughters of citizens, is about 12,000. The Kennedy-Simpson underlying bill elevates that figure to 24,200. There is an excess of about 12,000 over the demand already taken care of. It is true that a couple of countries have used all their first preference visas, but the other 160 countries have not.

Let me say again, in case any Senator is concerned we are taking away family-based numbers, let me assure such Senators that the pending amendment does not even touch the fifth preference. My amendment takes the numbers out of the excess in the first and second preferences and out of the point system.

I think it might be appropriate at this time, just so the record will reflect what the situation really is, to print this table in the RECORD at this point and I so ask unanimous consent. This reflects the accurate numbers in my amendment.

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

	Current law limits	Actual 1987 numbers	Kennedy/Simpson 1988	Kennedy/Simpson/ Simon 1989	Helms amendment	
					Number	Percent
National level of immigration	None	[1] 500,000	590,000	600,000	600,000	
Immediate relatives (spouses, children and parents of citizens)	([2])	218,500	[2] 220,000	[2] 220,000	[2] 220,000	
I. Family preferences:						
1st Preference (unmarried adult sons, daughters of citizens)	54,000	11,382	33,000	24,200	14,400	6
2d Preference (spouses and children of residents)	70,200	110,758	143,000	148,000	136,800	57
4th Preference (married sons and daughters of U.S. citizens)	27,000	20,703	22,000	23,000	24,000	10
5th Preference (never married brothers and sisters)	64,800	68,966	22,000	64,800	64,800	27
Total family preference	216,000		440,000	480,000	460,000	
II. Independent:						
Special Immigrants	([2])	3,646	6,000	6,000	4,200	3
3d Preference (members of profession exceptional ability)	27,000	26,921	27,600	27,600	44,800	32
6th Preference (skilled workers)	27,000	26,952	27,600	27,600	44,800	32
Employment generating investors	None	35	4,800	4,800	4,200	3
Selected immigrants (point system)	None	NA	54,000	54,000	42,000	30
Total independent			120,000	120,000	140,000	

	Current law limits	Actual 1987 numbers	Kennedy/Simpson 1988	Kennedy/Simpson/ Simon 1989	Helms amendment	
					Number	Percent
Total immigrants			590,000	600,000	600,000	

[1] Approximately.
[2] No limit.

Mr. HELMS. Let me go back to the original point that I think we ought to bear in mind. Yesterday there was an amendment accepted by the Senate, and I am not sure a whole lot of Senators understood what they were voting for. The Hatch amendment added 216,000 to the national level of 600,000 in the bill. So we are already at 816,000, and the Senator from Pennsylvania wants to add another 30,000 which would make it 846,000.

Lyndon Johnson said it right when he paraphrased John F. Kennedy. President Lyndon Johnson told the American people that Congress should be less concerned with setting immigration policy based on what country you come from and ask instead "What can you do for our country?"

Mr. President, I have at hand a letter that I received from a former Member of this body, the distinguished James T. Broyhill, a Senator from North Carolina. Jim is now secretary of the North Carolina Department of Commerce. I think what Jim Broyhill says in his letter to me is highly instructive because it goes to the point of this second-degree amendment. I am sure what he says about North Carolina is applicable in large degree to every State in this country. He says:

As you know, North Carolina has benefited greatly from foreign investment during the last several decades and especially during the 1980's. Foreign firms invested more than $1 billion in new and expanding industrial facilities during 1988 in our State, creating more than 5500 new jobs. During the past ten years, foreign industrial investment in North Carolina was approximately $4 billion resulting in the creation of approximately 40,000 jobs. To put this in perspective, foreign investment in North Carolina has accounted for more than 25 percent of all investment in new and expanding industry during the past 3 years.

And then Secretary Jim Broyhill, secretary of the North Carolina Department of Commerce, says this:

One of the greatest obstacles to the attraction of foreign investment is the issuance of visas for the owners and the skilled personnel required to manage the U.S. subsidiaries. The risks and delays associated with obtaining visas have increased dramatically during recent years. It is frankly embarrassing to hear foreign business leaders tell of the uncertainty and frustration they encounter when applying for permission to transfer key managers to our country. The U.S. government must provide immigration laws that give foreign owners the right to maximize success by transferring needed personnel to the United States.

So that is what this amendment is all about. Jim Broyhill states it in the perspective it deserves. He goes on to say:

I appreciate your attention to this important issue and support your efforts to increase employer-sponsored visas under the Immigration Reform Act of 1989. We must provide the means to warmly welcome these important individuals into our society. This is not a question of providing visas to a handful of bright, innovative people. The real issue is the continued economic development and technological advancement of the United States.

He goes on to say the obvious:

We are living in a global economy. The United States must not only compete for its share of the global markets, we must also compete for and attract our share of international technology; i.e., the men and women behind that leading technology.

So, Mr. President, I hope this amendment will be considered on the basis of the statistical facts as contained in the amendment and not on some misunderstanding that one Senator or another may have with figures. I realize that it is a complicated and intricate piece of legislation. But the underlying fact in all of this discussion is what is best for America. I submit that the Helms second-degree amendment now pending fits that category. I reserve the remainder of my time. Before I do, Mr. President, let me thank the distinguished Senator from Wyoming——

Mr. KENNEDY. Mr. President, how much time remains?

Did the Senator yield?

The PRESIDING OFFICER. The Senator from North Carolina has the floor. He has 9 minutes and 23 seconds remaining.

Mr. HELMS. I was going to thank Senator SIMPSON again for his lucid explanation of the figures and support of the amendment.

The PRESIDING OFFICER. The Senator from Massachusetts has 8 minutes remaining.

Mr. KENNEDY. Mr. President, the reductions I outlined earlier are the reductions in the bill.

If I stated that they were reductions in the current law, I meant reductions in the bill. The additions in the bill are based upon what the current demands are. What you have to recognize is that each country has 20,000-person ceiling. In addition, each country is limited to a certain percentage in each preference. If you reduce the worldwide level for a preference, the number of visas for that preference will become smaller for each country. We already have, under the first preference, a backlog. These are the sons and daughters of American citizens who are unable to rejoin their family. Today we have that backlog. We also have, under current law, a backlog in second preference. That is not even considering the fact that we have over 3 million people who adjusted their status as a result of the amnesty program, and who will soon file second preference petitions for their families.

Mr. President, when you take the numbers out of our bill, which was designed to deal with this increasing pressure, we will get even worse backlogs. To make the backlogs in family preference's worse in order to give some individuals who have skills and can make a contribution—no one questions that—I think is an unworthy trait. That is why I hope the amendment will not be successful.

I am prepared to move toward a vote on this issue. If there is no further discussion——

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I will save time by putting this in the RECORD, but I want to make clear the position of the administration on this amendment. I have a statement of administration policy. We will prepare extracts relating specifically to the pending amendment and I ask unanimous consent to insert them in the RECORD.

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

NORTH CAROLINA DEPARTMENT OF COMMERCE,
Raleigh, NC, June 29, 1989

Senator JESSE HELMS,
U.S. Senate, Washington, DC.

DEAR SENATOR HELMS: As you know, North Carolina has benefited greatly from foreign investment during the past several decades and especially during the 1980's. Foreign firms invested more than $1 billion in new and expanding industrial facilities during 1988 in our state, creating more than 5,500 new jobs. During the past ten years, foreign industrial investment in North Carolina was approximately $4 billion resulting in the creation of approximately 40,000 jobs. To put this in perspective, foreign investment in North Carolina has accounted for more than 25 percent of all investment in new and expanding industry during the past three years.

One of the greatest obstacles to the attraction of foreign investment is the issuance of visas for the owners and the skilled personnel required to manage the U.S. subsidiaries. The risks and delays associated with obtaining visas have increased dramatically during recent years. It is frankly embarrassing to hear foreign business leaders tell of the uncertainty and frustration they encounter when applying for permission to transfer key managers to our country. The U.S. government must provide immigration

laws that give foreign owners the right to maximize success by transferring needed personnel to the United States.

I appreciate your attention to this important issue and support your efforts to increase Employer-Sponsored Visas under the Immigration Reform Act of 1989. We must provide the means to warmly welcome these important individuals into our society. This is not a question of providing visas to a handful of bright, innovative people. The real issue is the continued economic development and technological advancement of the United States.

We are living in a global economy. The United States must not only compete for its share of global markets, we must also compete for an attract our share of international technology; i.e., the men and women behind that leading technology.

Please keep me appraised of your progress with this most important legislation. If I can assist, feel free to call on me.

Best personal regards,

JAMES T. BROYHILL.
Secretary.

Mr. HELMS. I yield back the remainder of my time.

Mr. KENNEDY. I yield back the remainder of my time.

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

The PRESIDING OFFICER. The Senator has 6 minutes.

Mr. KENNEDY. I withhold.

Mr. HELMS. In that case—I thought we were going to vote—I withhold as well.

Mr. SPECTER. That is agreeable to this Senator because I do have a few more comments.

First, Mr. President, a parliamentary inquiry on the status of the record. There will be first a vote on Senator HELMS' second-degree amendment, and, if that fails, then a vote on my amendment?

The PRESIDING OFFICER. If it fails or if it is adopted, there will then be a vote on the Specter first-degree amendment.

Mr. SPECTER. Whether it is adopted or fails.

The PRESIDING OFFICER. That is correct.

Mr. SPECTER. I thank the Chair.

Mr. President, I have now had a few more moments to digest the complicated chart I had just received prior to my comments earlier from the distinguished Senator from North Carolina and now see more clearly the virtual identity between this amendment, Senator HELMS' current second-degree amendment, and the amendment he made yesterday which failed by a vote of 71 to 27. While it is complicated, Mr. President, the figures are plain from Senator HELMS' own statistical sheet that if you take a look at the fifth preference, which has a different definition than in prior years, the 1987 actual numbers were 23,517, which is far below the figures in the current bill, which Senator HELMS retains, 64,800.

So that the logic that he tries to apply to the first and second preference applies equally to the fifth preference where he was unsuccessful yesterday. Senator HELMS' own sheet is also claimed, but it takes a few minutes for analysis, to show that as to unmarried adult sons, daughters of citizens, the figure is reduced from 242,000 to 14,400, and the second preference, spouses and children of residents is reduced by another 11,200, from 148,000 to 136,800. And the special immigrants are reduced from 6,000 to 4,200 and employment generating investors reduced from 4,800 to 2,800, a very important line of productivity and competitiveness, and selected immigrants under the point system reduced from 54,000 to 40,600.

As already noted on the floor argument, there are backlogs in some of these categories.

So, I suggest, Mr. President, that what Senator HELMS is seeking to do has already been rejected by this body, and that we ought to vote, reject it again, and then move on to the proposition of allowing these highly productive people to come in by making a modest slight addition to the cap.

I thank the Chair, and yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. GRAMM addressed the Chair.

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

The PRESIDING OFFICER. The Senator from Pennsylvania has 2 minutes and 40 seconds.

Mr. SPECTER. I yield to the distinguished Senator from Texas 1 minute.

Mr. GRAMM. Mr. President, I rise in opposition to the Helms amendment. We have a simple choice before us. I think it is very important that people not be confused. Senator SPECTER, along with a lot of other cosponsors, has offered an amendment to raise the number of business sponsored visas by 30,000, and to increase the number of people allowed into the country by a corresponding number. It is a simple, straightforward amendment that says that we need more business sponsored visas.

The Senator from North Carolina has offered an amendment to raise business related visas by 37,200 but he would take that number away from other categories, in this case, denying people the opportunity to unify their families. Those who want more business sponsored visas in my opinion should support the Specter amendment and reject the Helms amendment because the Helms amendment increases business sponsored visas but does it at the expense of family unification.

The PRESIDING OFFICER. The Senator from Pennsylvania has 1 minute and 30 seconds left.

Mr. HELMS. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator from North Carolina has 8 minutes and 24 seconds.

Mr. HELMS. Senators tomorrow morning when they get the CONGRESSIONAL RECORD and look at the table that I put in the RECORD, they will see that the distinguished Senator from Pennsylvania is incorrect. I believe he is looking at an earlier version of my amendment. In the final version of my amendment, we do not decrease the number of visas for investors.

Mr. President, the distinguished Senator is in error when he states that today's second-degree amendment is the same as yesterday's amendment.

Yesterday's amendment dealt with the fifth preference, as I am sure the Senator must know. The second-degree amendment pending now does not touch the fifth preference, and I have said that over and over again.

The distinguished Senator from Wyoming [Mr. SIMPSON] stated the facts as they are. He understands them. I worked out the figures with Senator SIMPSON. If there is an authority on immigration in the Senate, it has to be ALAN SIMPSON.

We get back to the basic point. Where are we headed? The Hatch amendment yesterday has already increased the 600,000 cap to 816,000. Senator SPECTER's amendment pushes it up to 846,000. Most Senators, I expect, think we are still working on the 600,000 cap.

How much time do I have remaining now, Mr. President?

The PRESIDING OFFICER. Three minutes and fifty-five seconds.

Mr. HELMS. I reserve the remainder of my time in case some other incorrect statements are made.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, I am prepared to yield back the remainder of the time if the others will yield back as well.

Mr. SPECTER. Mr. President, I ask unanimous consent at this time that the list of organizations sponsoring my amendment be included in the RECORD, a sequence of letters from the U.S. Chamber of Commerce, and other companies and organizations be included in the RECORD.

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

U.S. CHAMBER OF COMMERCE,
Washington, DC, July 10, 1989.

Hon. ARLEN SPECTER,
U.S. Senate, Washington, DC.

DEAR SENATOR SPECTER: The U.S. Chamber of Commerce strongly supports the amendment to increase the number of visas for business-sponsored immigration that Senators Specter and DeConcini will be offering to the immigration bill (S. 358). This amendment is critically important to the business community.

S. 358, as presently drafted, contains two fundamental defects of significant concerns

to business. First, and most important, it provides for no meaningful increase in the amount of visas allocated to business-sponsored immigration, thus doing virtually nothing to alleviate the critical backlogs and time delays associated with the transfer of international personnel. Second, the bill unnecessarily re-orders the preference categories for business-sponsored immigration, eliminating the priority presently accorded to business immigrants without "advanced" degrees. The Specter/DeConcini amendment will address the first, and most serious, of these concerns.

This amendment will alleviate an extremely troublesome problem. In view of the small number of visas presently allocated to business immigration, there are severe backlogs and time delays in transferring highly skilled or professional personnel to U.S. operations. For example, even after the Department of Labor has certified that there are no U.S. workers qualified or available to occupy a particular position, it can still take over two years to fill this position with a highly skilled foreign national who has been extremely difficult to locate. Such delays are untenable and severely hinder U.S. business in its ability to meet the challenges of the international market.

The Specter/DeConcini amendment will propose only a very modest increase (30,000 visas) in the employer-sponsored immigration categories. It may be expected that approximately half the increase will be used by family members of principal employee-immigrants. Thus, the amendment will permit only an additional 15,000-20,000 employer-sponsored immigrants. This small number, together with the fact that these immigrants cannot be sponsored unless the Department of Labor has certified that their skills are not available in the U.S., guarantees that there will be no significant adverse impact on the U.S. labor market. In fact, the labor market impact will be positive because these needed skills enhance productivity and create employment.

The Chamber urges you to support this modest yet critically important change to S. 358 to enable business to meet effectively the challenges of the global marketplace. A system in which it can take over two years and sometimes much longer to relocate a critically needed skilled worker to the U.S. to meet an immediate and direct challenge is damaging to the U.S. economy and to all Americans.

Thank you for your consideration of the Chamber's views.

Sincerely,

ALBERT D. BOURLAND.

SMITHKLINE BECKMAN CORP.,
Philadelphia, PA, July 7, 1989.

Re Specter-DeConcini Amendment on Business Immigration to the Kennedy-Simpson Legal Immigration Bill (S. 358).

Hon. ARLEN SPECTER,
U.S. Senate, Washington, DC.

DEAR SENATOR SPECTER: I am writing on behalf of SmithKline Beckman Corporation to voice its support for the amendment you and Senator DeConcini have offered to the Kennedy-Simpson Legal Immigration Bill to increase the number of visas available for business immigrants from 54,000 to 84,000 per year.

SmithKline Beckman has a very real interest in sponsoring immigrant employees based on a certified shortage of qualified U.S. workers. Unfortunately, the limited number of visas available for employer-sponsored immigrants (the present 3rd and 6th preferences) has resulted in uncertainty and permanent delay. The minimum waiting time for permanent visas for scientists and other professionals is now over one full year (3rd preference), and for other skilled and unskilled workers (6th preference) the wait is over three years!

SmithKline Beckman cannot afford an immigration policy that is unresponsive to our most fundamental needs. Increased visa allocations for employer-sponsored immigration is the best, most effective way to speed up the process by which U.S. employers obtain needed personnel in shortage occupations.

SmithKline Beckman supports the Specter-DeConcini amendment to increase visas for business immigration and we appreciate your leadership efforts to meet the needs of American industry which must compete on a world-wide basis.

Sincerely,

RICHARD V. HOLMES.

JULY 11, 1989.

Re support Specter/DeConcini Employer Visas Amendment to S. 358.

DEAR SENATOR: The undersigned organizations and coalitions believe that legal immigration promotes the national interest.

We are writing to urge you to support a Specter/DeConcini amendment to S. 358 which would increase modestly (by 30,000 total) the visas available annually for employer-sponsored immigrants. The amendment would also raise by 30,000 the worldwide annual ceiling which S. 358 sets for legal immigrant visas.

Employer-sponsored visas can be issued only if the Department of Labor certifies that there are no domestic workers available to fill the jobs in question. There are currently backlogs of 1-3 years for visas which the Department of Labor has authorized. These backlogs, which the Specter/DeConcini amendment would help alleviate, harm American employers, and undermine American productivity.

Please support this important amendment to S. 358.

Sincerely,

American Committee for Italian Migration.

American Council for Nationalities Services (32 local affiliates nationwide).

American Immigration Lawyers Association (over 30 local chapters nationwide).

A. Philip Randolph Institute.

Centro Presente (Boston).

Chicago Committee for Immigrant and Refugee Protection (over 40 local member organizations).

Cuban American National Council (Miami, with local affiliates in other states).

Indochina Resource Action Center (over 30 local member organizations).

International Ladies Garment Workers Union.

Massachusetts Immigrant and Refugee Advocacy Coalition (over 40 local member organizations).

Nationalities Service Center of Philadelphia.

New York City.

North Texas Immigration Coalition.

Proyecto Adelante (Texas).

Travelers and Immigrants Aid of Chicago.

MICROSOFT CORP.,
Redmond, WA, June 26, 1989.

Re S. 358/Immigration Reform.

Hon. BROCK ADAMS,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR ADAMS: Thank you for meeting with our immigration counsel, Robert Free, and with other members of the American Immigration Lawyers Association during their visit to your offices on June 8, 1989.

Microsoft currently employs approximately 4,000 persons in the State of Washington. During the last fiscal year, Microsoft generated worldwide revenues of $591 million dollars. During the calendar quarter that ended March 31, 59% of our revenues were earned in the international market. Microsoft is the largest company of its kind in the world. The United States microcomputer software industry as a whole is presently dominant in the worldwide marketplace, but as you are well aware it faces extraordinary competitive challenges.

Among those challenges is the chronic shortage of experienced software engineers and other skilled personnel. It is important in terms of maintaining our technological and competitive edge that we be able to have reasonable opportunities to fill critical development and other positions with qualified foreign applicants when we are unable to fill them from the domestic labor pool.

It is, therefore, very important to Microsoft, and to other businesses in Washington State, to have increased visa numbers for both Third and Sixth Preference categories. The majority of truly critical positions which have been filled by foreign applicants at Microsoft have been filled with aliens qualifying under the Third Preference category, with a lesser but still important number coming from the Sixth Preference category. Still, there is a shortage.

We are concerned that S. 358, as currently written, will make it even more difficult to fill important positions. Currently, Third Preference category visa applicants are required to have a Bachelors degree. S. 358 requires Third Preference category applicants to have a Masters degree or higher, and there is apparently no spilldown of excess numbers from Third Preference to Sixth Preference. The likely result will be a restricted pool of Third Preference category candidates, and a longer waiting list (already two to three years) for Sixth Preference category candidates.

We understand that Rep. Howard Berman has sponsored a bill, H.R. 672, that is far more reasonable in its treatment of Third and Sixth Preference category visas than is S. 358. We therefore respectfully request that you work closely with your colleagues in the House of Representatives to support the Berman bill or similar legislation.

We also urge you to endeavor to minimize the potential detrimental impact of S. 358 by either co-sponsoring or introducing an amendment to that legislation which would, at a minimum, increase Third and Sixth Preference categories by 15,000 each, or 30,000 total. Although such an amendment would not fully address our concerns, it would substantially assist.

I greatly appreciate the continuing support you and your staff have provided to Microsoft.

Sincerely,

DAVID CURTIS,
Corporate Attorney.

PECHINEY CORP.,
Greenwich, CT, June 22, 1989.

Re: Specter-DeConcini Amendment on Business Immigration to the Kennedy-Simpson Legal Immigration Bill (S. 358).

Hon. JOSEPH LIEBERMAN,
U.S. Senate, Washington, DC.

DEAR SENATOR LIEBERMAN: I am writing to ask that you support the Specter-DeConcini amendment to S. 358 that would increase the number of visas available for business immigrants from 54,000 to 84,000 per year.

Pechiney Corporation, headquartered in Greenwich, which along with its U.S. subsidiaries has more than $6 billion of sales annually, seeks to sponsor immigrant employees based on a certified shortage of qualified U.S. workers. Unfortunately, the limited number of visas available for employer-sponsored immigrants (the present 3rd and 6th preferences) has resulted in uncertainty and permanent delay. Increased visa allocations for employer-sponsored immigration is the best, most effective way to speed up the process by which U.S. employers obtain needed personnel in shortage occupations.

Please support the Specter-DeConcini amendment to increase visas for business immigration when the Kennedy-Simpson legal immigration bill (S. 358) is debated on the Senate floor.

Thank you for your attention to this concern. I hope you will let Senators Specter and DeConcini know that you support their amendment.

Sincerely,

ROLAND A. PAUL.

MCGRAW-HILL, INC.,
New York, NY, June 28, 1989.

Re: Specter-DeConcini Amendment on Business Immigration to the Kennedy-Simpson Legal Immigration Bill (S. 358).

Hon. MOYNIHAN,
U.S. Senate, Washington, DC.

DEAR SENATOR MOYNIHAN: I am writing to ask that you support the Specter-DeConcini amendment to S. 358 that would increase the number of visas available for business immigrants from 54,000 to 84,000 per year.

McGraw-Hill, Inc. seeks to sponsor immigrant employees based on a certified shortage of qualified U.S. workers. Unfortunately, the limited number of visas available for employer-sponsored immigrants (the present 3rd and 6th preferences) has resulted in uncertainty and significant delay. The minimum waiting time for professionals' permanent visas is now over one full year (3rd preference), and for other skilled and unskilled workers (6th preference) the wait is over two and one-half years.

The present immigration policy is unresponsive to fundamental corporate needs. Increased visa allocations for employer-sponsored immigration is the best, most effective way to speed up the process by which U.S. employers obtain needed personnel in shortage occupations.

Please support the Specter-DeConcini amendment to increase visas for business immigration when the Kennedy-Simpson legal immigration bill (S. 358) is debated on the Senate floor.

Thank you for your attention to this concern. I hope you will let Senators Specter and DeConcini know that you support their amendment.

Very truly yours,

GEORGE W. LEOPOLD.

INTERNATIONAL PAPER,
Mobile, AL, July 11, 1989.

Re Importance of support for proposed Specter-DeConcini Amendment to S. 358.

Hon. HOWELL HEFLIN,
U.S. Senate, Washington, DC.

DEAR SENATOR HEFLIN: Please support the amendment which will be offered by Senators Specter and DeConcini to the immigration bill in the Senate. The Specter-DeConcini Amendment is most important for International Paper, and for business and industry in this country generally.

Under the present law it can take over two and one-half years to obtain the right of residence for a foreign technical specialist, even where the Labor Department has certified that the particular skills are in short supply. The Kennedy-Simpson bill does nothing to address this severe backlog. However, the Specter-DeConcini Amendment adds a very modest number of visas (30,000) to the employer-sponsored immigration categories. While this will not eliminate the backlogs, it will at least prevent them from getting worse.

For example, one of our senior engineers who is a recognized specialist in pulp technology is a Canadian citizen. Without the Specter-DeConcini Amendment it will take over two years to obtain the right for him to reside permanently in the United States. This is an untenable situation which is damaging to our ability to be competitive internationally, and to provide increased employment opportunities in the United States.

Thank you for your support of this important Amendment.

Yours truly,

J.W. OVERALL,
Supervisor Management, Development and Administration.

POMA OF AMERICA, INC.,
July 5, 1989.

Re Specter-DeConcini Amendment on Business Immigration to the Kennedy-Simpson Legal Immigration Bill (S. 358).

Hon. TIMOTHY WIRTH,
U.S. Senate, Washington, DC.

DEAR SENATOR WIRTH: I am writing to ask that you support the Specter-DeConcini amendment to S. 358 that would increase the number of visas available for business immigrants from 54,000 to 84,000 per year.

Poma of America Inc. seeks to sponsor immigrant employees based on a certified shortage of qualified U.S. workers. Unfortunately, the limited number of visas available for employer-sponsored immigrants has resulted in uncertainty and permanent delay.

We are a U.S. corporation that is wholly owned by a French company. Our company manufacturers and installs aerial ropeway systems used primarily in the ski industry. Our parent company has provided our company with the technology to develop and build ski lifts in the United States. However, in order to implement this technology, we need specially educated and experienced personnel that can only be provided by the parent company.

We currently have 80 employees. Four of these employees are French nationalists who are engineers or highly trained technicians. These French employees are a vital part of our organization. They are responsible for educating and training our workforce and they also integrate the French technology into the U.S. manufactured product.

Our company cannot afford an immigration policy that is unresponsive to our most fundamental needs. Increased visa allocations for employer-sponsored immigration is the best, most effective way to speed up the process by which U.S. employers obtain needed personnel in shortage occupations.

Please support the Specter-DeConcini amendment to increase visas for business immigration when the Kennedy-Simpson legal immigration bill (S. 358) is debated on the Senate floor.

Thank you for your attention to this concern. I hope you will let Senators Specter and DeConcini know that you support their amendment.

Sincerely,

THOMAS W. RICHARDSON,
President.

BASF CORP.,
Parsippany, NJ, June 30, 1989.

Senator ARLEN SPECTER,
Senate Hart Office Building, Washington, DC.

DEAR SENATOR SPECTER: During the week of July 10, the Senate will consider the Kennedy-Simpson Immigration Reform Bill, S. 358, which is designed in part to address the needs of the business community with regard to the serious backlogs for visas in the Third and Sixth Preference categories.

We support the Kennedy-Simpson Bill, which provides a new category, Independent Immigrants II, similar to the Third Preference, for which the new requirements to obtain a visa will be to have an advanced degree or be of exceptional ability in the sciences, arts, or in business.

Under S. 358, as reported from the Senate Judiciary Committee, 27,600 visas are allocated to this category and an additional 27,600 visas allocated to a new category, Independent Immigrant III, which is for temporary immigrants with bachelors degrees or with special skills requiring at least two years of experience or training.

The total for these two replacement categories is 55,200, only slightly more than the 54,000 permitted under existing law.

These numbers, as you know, include spouses and children, and in the most recent year for which data are available, only 23,000 "workers" were admitted, the remaining 31,000 visas went to spouses and their children.

When the Senate considers S. 358, Senators Specter and DeConcini plan to offer an amendment that will increase the number of visas for business-sponsored immigrants by 30,000. We support this amendment.

An increase in business-sponsored visas will not affect United States workers. As you know, the employer of a business immigrant must obtain Labor Department certification that "no qualified U.S. workers are available" for the position to be filled and that employment of the immigrant will not harm the wages and working conditions of other workers in the United States. Providing additional business-sponsored visas also will not affect the availability of visas for family-sponsored immigration which is a separate immigration category.

Due to the nature of our business, BASF needs to obtain visas for exceptional, skilled and vitally needed temporary business immigrants with some regularity. In the past we have encountered some delays in obtaining such visas and have found that the delays can affect projects in Pennsylvania and elsewhere in the country. BC is a Fortune 100 manufacturer with approximately 22,000 employees in the U.S. and Canada.

S. 358 with the Specter-DeConcini amendment will help remedy this serious problem.

When the Senate takes up this legislation, we hope we can count on your support.

If you or your staff need additional information or need to discuss this issue further, please contact me or Bob Thoma, Vice President, Government Relations, at (202) 296-6508.

Sincerely,

F.W. BERNTHAL.

AMERICAN COUNCIL ON INTERNATIONAL PERSONNEL INC.,
New York, NY, June 26, 1989.

Hon. ARLEN SPECTER,
U.S. Senate, Hart Senate Office Building, Washington, DC.
Attention: Margaret Morton.

DEAR SENATOR SPECTER: The American Council on International Personnel (ACIP) urges you to support the Specter-DeConcini amendment to S. 358, "The Immigration Amendments of 1989," when it reaches the Senate floor. The amendment will provide 30,000 additional yearly immigrant visas for the skilled workers our country so desperately needs to remain internationally competitive.

ACIP represents 240 large companies with substantial movement of international personnel. The business community has long been the forgotten immigration constituency. While we are the largest regular consumer of immigration services, every effort to reform the immigration system has failed to address the needs of the business community. The immigrants our members are bringing into this country are not taking jobs from Americans. Instead, they are making our companies more vital and creating more jobs for Americans.

S. 358 as it emerged from the Judiciary Committee again fails to address adequately the needs of American employers. In its original form, it would have provided 55,000 visas per year for employer sponsored immigrants (only 1,000 more per year than under current law). After three years, however, that number would have increased to 69,000 per year, a more reasonable allotment, but still only slightly more than 10 percent of the immigrant visas.

The Senate Judiciary Committee amendment to the bill, though, freezes the business categories at 55,000 per year, with no increase after three years. This makes no sense.

Senators Specter and DeConcini have fashioned a balanced amendment which increases the number of immigrants entering based on their skills and the demonstrated need for their labor in this country by a total of 30,000 each year. Their amendment only increases the overall ceiling on immigration by 5 percent. It maintains the requirement that no immigrant be admitted unless it is demonstrated a U.S. worker is not available to take the job.

Labor shortages, especially in skilled positions, have been demonstrated time and again, most recently in the Secretary of Labor's study, "Labor Market Shortages." When a U.S. company can transfer workers from a German subsidiary to a French subsidiary virtually overnight, but must wait 14 months—the current backlog for skilled workers—to bring that same employee to the United States, that U.S. company is going to lose to its foreign competitors. Your support for the Specter-DeConcini amendment will help to level that playing field and make U.S. employers competitive.

Please call ACIP's Washington representative Harris Miller on 276-8009 if you have any questions or comments.

Sincerely,

AUSTIN T. FRAGOMEN, Jr.,
Chairman of the Board.

NATIONAL FOREIGN TRADE COUNCIL, INC.,
New York, NY, June 20, 1989.

Re Business Immigration Amendment to Kennedy-Simpson Bill (S. 358).

Hon. ARLEN SPECTER,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR SPECTER: On behalf of the National Foreign Trade Council I wish to commend you for your willingness to offer an amendment to S. 358, which would increase "employer-sponsored" visas by 30,000. This would be most helpful to the business community.

The Council is a non-profit association of 500 companies engaged in international trade and investment. Its members have long supported efforts to improve U.S. Immigration Laws, policies and procedures, particularly as they affect the transfer of foreign executives as well as managerial, professional and specialized knowledge personnel to the United States. It is critical for companies operating internationally to have a trained and experienced workforce at all levels in order to compete effectively around the world. The United States of America has a particular interest in the ongoing viability of American multinational corporations, since their repatriated foreign profits help to ameliorate our difficult balance of payments position.

As U.S. companies can and do send U.S. employees (and their families) on assignments to foreign countries in order to meet their operational needs in the global marketplace, so must they be allowed to (expeditiously and with reasonable surety) bring select foreign nationals to the U.S. for varying periods of time.

The President of the Council, Frank Kittredge, testified before the Senate Sub-committee on Immigration and Refugees on March 3, 1989, representing a coalition of several interested organizations called the Business Immigration Council. In that testimony (copy attached for ready reference) we supported the general thrust of S. 358 but pleaded for an increase in the allotment for "business related" or "independent" category visas.

Your proposed amendment would be a reasonable response to our request, particularly bearing in mind that these visa numbers relate to the prospective alien and immediate family members as well.

We strongly support you in your efforts and hope that the amendment will receive favorable consideration by both the Senate and the House.

Sincerely,

WILLIAM F. CAGNEY,
Director, Industrial Relations and Management Resources.

EXHIBIT 1

BUSINESS ENTITIES AND ORGANIZATIONS IN SUPPORT OF AMENDMENT TO INCREASE BUSINESS SPONSORED IMMIGRATION

U.S. Chamber of Commerce.
SmithKline Beckman.
BASF Corporation.
Rohm & Haas.
McGraw-Hill, Inc.
American Council on International Personnel.
National Foreign Trade Council.
Manufacturer's Association of Pennsylvania.
American Committee for Italian Migration.
American Council for Nationalities Services.
American Immigration Lawyers Association.
A. Philip Randolph Institute.
Centro Presente (Boston).
Chicago Committee for Immigrant and Refugee Protection.
Cuban American National Council.
Indochina Resource Action Center.
International Ladies Garment Workers Union.
Massachusetts Immigrant and Refugee Advocacy Coalition.
Nationalities Service Center of Philadelphia.
New York City.
North Texas Immigration Coalition.
Proyecto Adelante (Texas).
Travelers and Immigrants Aid of Chicago.
Deloite, Haskins and Sells.
Microsoft Corporation (Washington State).
International Paper (Alabama).
Pechiney Corporation (CT).
POMA of America, Inc.

Mr. SPECTER. Mr. President, in order to avoid any possible misunderstanding about who is wrong and right, I want to introduce my copy of Senator HELMS' figures, the ones I received from Senator HELMS in the anteroom to verify the representations that I may have made as to the reductions in these various categories, and perhaps we are finished with the time I have remaining by simply asking Senator HELMS question.

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

	Current law limits	Actual 1987 numbers	Kennedy/Simpson 1988	Kennedy/Simpson/ Simon 1989	Helms amendment	
					Number	Percent
National level of immigration	None	[1] 500,000	590,000	600,000	600,000	
Immediate relatives (spouses, children and parents of citizens)	([2])	218,500	[2] 220,000	[2] 220,000	[2] 220,000	
I. Family preferences:						
1st Preference (unmarried adult sons, daughters of citizens)	54,000	11,382	33,000	24,200	14,400	6
2d Preference (spouses and children of residents)	70,200	110,758	143,000	148,000	136,800	-57
4th Preference (married sons and daughters of U.S. citizens)	27,000	20,703	22,000	23,000	24,000	10
5th Preference (never married brothers and sisters)	64,800	23,517	22,000	64,800	64,800	27
Total family preference	216,000		440,000	480,000	460,000	

	Current law limits	Actual 1987 numbers	Kennedy/Simpson 1988	Kennedy/Simpson/ Simon 1989	Helms amendment	
					Number	Percent
II. Independent:						
Special Immigrants	(2)	3,646	6,000	6,000	4,200	3
3d Preference (members of profession exceptional ability)	27,000	26,921	27,600	27,600	46,200	33
6th Preference (skilled workers)	27,000	26,952	27,600	27,600	46,200	33
Employment generating investors	None	35	4,800	4,800	2,800	2
Selected immigrants (point system)	None	NA	54,000	54,000	40,600	29
Total independent			120,000	120,000	140,000	
Total immigrants			590,000	600,000	600,000	

[1] Approximately.
[2] No limit.

Mr. SPECTER. Just picking out one, is it not true that under your chart in the employment-generating investors, you would allow in 2,800, whereas, the current bill allows in 4,800 for a reduction, obviously, of 2,000 on a very important item of productivity and business activity.

The PRESIDING OFFICER. The Chair states that the time of the Senator from Pennsylvania has expired. The Senator from North Carolina has 3 minutes 45 seconds.

Mr. HELMS. Mr. President, the Senator from Pennsylvania is working with the original version of my amendment. At the request of Senator SIMPSON, I changed the numbers in my amendment to restore the number of visas for investors. I apologize for the confusion.

I yield back the remainder of my time, and I suggest that we vote.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

The question is on agreeing to the amendment of the Senator from North Carolina. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Hawaii [Mr. MATSUNAGA] is absent because of illness.

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

The result was announced—yeas 22, nays 77, as follows:

[Rollcall Vote No. 112 Leg.]

YEAS—22

Armstrong	Garn	Roth
Bond	Grassley	Rudman
Burns	Hatch	Shelby
Byrd	Helms	Simpson
Cochran	Lott	Symms
Danforth	Lugar	Thurmond
Dole	McClure	
Ford	Pressler	

NAYS—77

Adams	Breaux	Cranston
Baucus	Bryan	D'Amato
Bentsen	Bumpers	Daschle
Biden	Burdick	DeConcini
Bingaman	Chafee	Dixon
Boren	Coats	Dodd
Boschwitz	Cohen	Domenici
Bradley	Conrad	Durenberger
Exon	Kennedy	Packwood
Fowler	Kerrey	Pell
Glenn	Kerry	Pryor
Gore	Kohl	Reid
Gorton	Lautenberg	Riegle
Graham	Leahy	Robb
Gramm	Levin	Rockefeller
Harkin	Lieberman	Sanford
Hatfield	Mack	Sarbanes
Heflin	McCain	Sasser
Heinz	McConnell	Simon
Hollings	Metzenbaum	Specter
Humphrey	Mikulski	Stevens
Inouye	Mitchell	Wallop
Jeffords	Moynihan	Warner
Johnston	Murkowski	Wilson
Kassebaum	Nickles	Wirth
Kasten	Nunn	

NOT VOTING—1

Matsunaga

So, the amendment (No. 254) was rejected.

VOTE ON AMENDMENT NO. 252

The PRESIDING OFFICER. Under the previous order, the question now occurs on agreeing to the amendment of the Senator from Pennsylvania [Mr. SPECTER]. The yeas and nays have been ordered and the clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Hawaii [Mr. MATSUNAGA] is absent because of illness.

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

The result was announced—yeas 78, nays 21, as follows:

[Rollcall Vote No. 113 Leg.]

YEAS—78

Adams	Glenn	McClure
Armstrong	Gore	Metzenbaum
Bentsen	Gorton	Mikulski
Biden	Graham	Mitchell
Bond	Gramm	Moynihan
Boren	Harkin	Murkowski
Boschwitz	Hatch	Nickles
Bradley	Hatfield	Nunn
Breaux	Heflin	Packwood
Bryan	Heinz	Pell
Burns	Hollings	Reid
Chafee	Inouye	Riegle
Coats	Jeffords	Robb
Cohen	Johnston	Roth
Conrad	Kasten	Sanford
Cranston	Kerrey	Sarbanes
D'Amato	Kerry	Sasser
Danforth	Kohl	Shelby
Daschle	Lautenberg	Specter
DeConcini	Leahy	Stevens
Dixon	Levin	Symms
Dodd	Lieberman	Thurmond
Domenici	Lott	Wallop
Durenberger	Lugar	Warner
Fowler	Mack	Wilson
Garn	McCain	Wirth

NAYS—21

Baucus	Exon	McConnell
Bingaman	Ford	Pressler
Bumpers	Grassley	Pryor
Burdick	Helms	Rockefeller
Byrd	Humphrey	Rudman
Cochran	Kassebaum	Simon
Dole	Kennedy	Simpson

NOT VOTING—1

Matsunaga

So the amendment (No. 252) was agreed to.

AMENDMENT NO. 255

(Purpose: To prevent distortions in the reapportionment of the House of Representatives caused by the use of census population figures which include illegal aliens)

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

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alabama [Mr. SHELBY], for himself, Mr. HEINZ, Mr. HELMS, Mr. LOTT, Mr. GRASSLEY, Mr. STEVENS, Mrs. KASSEBAUM, Mr. HEFLIN, and Mr. DOLE, proposes an amendment numbered 255.

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

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

The amendment is as follows:

At the end of the bill add the following new title:

TITLE —CENSUS

SEC. . PREVENTION OF CONGRESSIONAL REAPPORTIONMENT DISTORTIONS.

(a) FINDINGS.—The Congress finds that—

(1) in recent years millions of aliens have entered the United States in violation of immigration laws and are now residing in the United States in an illegal status and are subject to deportation;

(2) the established policy of the Bureau of the Census is to make a concerted effort to count such aliens during the 1990 census without making a separate computation for such illegal aliens; and

(3) by including the millions of illegal aliens in the reapportionment base for the House of Representatives, many States will lose congressional representation which such States would not have otherwise lost, thereby violating the constitutional principles of "one man, one vote".

(b) SECRETARIAL ADJUSTMENTS TO PREVENT DISTORTIONS.—Section 141 of title 13, United States Code, is amended by redesignating subsection (g) as subsection (h), and by inserting after subsection (f) the following new subsection:

"(g) The Secretary shall make such adjustments in total population figures as may be necessary, using such methods and procedures as the Secretary determines feasible and appropriate, in order that aliens in the United States in violation of the immigration laws shall not be counted in tabulating population for purposes of subsection (b) of this section; *Provided, however,* That nothing in this subsection (g) shall be construed to supersede section 195 of title 13, United States Code."

(c) CONFORMING AMENDMENT.—Section 22(a) of the Act entitled "An act to provide for the fifteenth and subsequent decennial censuses and to provide for apportionment of Representatives in Congress", approved June 18, 1929 (2 U.S.C. 2a(a)), is amended by striking out "as ascertained under the seventeenth and each subsequent decennial census of the population" and inserting in lieu thereof "as ascertained and reported under section 141 of title 13, United States Code, for each decennial census of population".

The PRESIDING OFFICER. The Chair will state, by previous order, there is a 2-hour limitation on this amendment to be equally divided. The Senator from Alabama is recognized.

Mr. SHELBY. I yield myself as much time as I may consume.

Mr. President, I am offering this amendment on behalf of myself, Senators HEINZ, HELMS, LOTT, GRASSLEY, STEVENS, KASSEBAUM, HEFLIN, and DOLE.

Mr. President, the established policy of the Bureau of the Census is to count every inhabitant in this country without making an adjustment for illegal aliens, and the Census Bureau plans to continue this policy in 1990 when they take the census. If this policy is allowed to continue, some States will lose congressional representation which they would not otherwise lose.

The basic rights of representation in our country are violated when voters in States with a large number of illegal aliens have a greater voice in choosing representatives in Congress. As the Supreme Court stated in *Wesberry* v. *Sanders,* 376 U.S. 1 (1963):

> No right is more precious in a free country than that of having a voice in the election of those who make the laws under which, as good citizens, we must live. Other rights, even the most basic, are illusory if the right to vote is undermined.

I believe we must address this issue prudently, yet expeditiously. In less than 1 year our country will once again undergo a taking of the census. We have been doing this since 1790. In 1790, the first U.S. census was conducted and completed. Many demographic elements have changed during these past 200 years, and the census must remain attuned to these changes in our country.

In the 1980 census, the Census Bureau counted an estimated 2.57 million illegal aliens. But for this inclusion, Indiana and Georgia would probably have gained seats in Congress of the United States. In 1990, Mr. President, if the Census Bureau's policy remains unchanged, Pennsylvania, Connecticut, Michigan, North Carolina, and my State of Alabama may lose congressional seats. Perhaps others.

Therefore, Mr. President, this amendment that I introduced a few minutes ago would prevent the use of census figures which would include undocumented aliens for apportionment of the House of Representatives. My proposal directs the Secretary of Commerce to ensure that undocumented aliens shall not be counted for apportionment purposes.

At the outset I must vigorously state that the legislation is not designed to be an anti-immigration proposal. It is not designed, implicitly or explicitly, to hinder the legal immigration process.

However, Mr. President, it is designed to ensure proper apportionment so that all citizens in the United States will receive the opportunity to be heard. The opportunity for participation in governing through an undiluted ballot box is part and parcel of government in America. Consequently, to realize this opportunity, the undocumented alien must not be counted for apportionment purposes.

My proposal, this amendment now before the Senate, does not impede upon the constitutional protections that have been legislatively sanctioned and judicially recognized to apply to undocumented aliens as well as to citizens and resident aliens.

Conversely, Mr. President, my proposal provides implementation of the concept of equal protection under the laws for those American citizens who would be adversely affected by the conclusion of these undocumented aliens.

The mere inclusion of illegal aliens in census figures for House of Representatives apportionment purposes violates the notion of self-government and eradicates the community's process of political self-definition. This occurs when an affected State's voting strength is weakened and qualified voters are placed in an impracticable position, vis-a-vis qualified voters of States with a large undocumented alien population. Thus, Mr. President, improper apportionment deprives citizens of their right of self-determination through the ballot box.

Mr. President, my proposal is simple in structure. It merely directs that the Secretary of Commerce shall make adjustments in total population figures as may be necessary, using such methods and procedures as the Secretary determines appropriate, in order that aliens in the United States in violation of immigration laws shall not be counted in tabulating population for purposes of reapportionment.

As our Nation prepares for the 1990 census next year, it is important that fairness and equity not fall by the wayside in our assessment of demographics. The issue is far too important to many people.

The PRESIDING OFFICER. The Senator has 54 minutes 20 seconds remaining. Who yields time?

Mr. HELMS. Mr. President, might I confer with the distinguished Senator from Illinois.

The PRESIDING OFFICER. Who yields time?

Mr. SHELBY. Mr. President, I yield 8 minutes to the Senator from North Carolina.

The PRESIDING OFFICER. The Senator from North Carolina is recognized for 8 minutes.

Mr. HELMS. Mr. President, I thank the distinguished Senator and I thank the Chair. Needless to say, I am pleased to be an original cosponsor of the amendment by the able and distinguished Senator from Alabama. I commend Senator SHELBY for his efforts to rectify, to put it mildly, a grave injustice that is about to be committed by the Census Bureau.

Here is the situation. The Shelby-Helms amendment instructs the Census Bureau to exclude illegal aliens in the census count. Nothing else makes sense. If you cannot reason with a bunch of bureaucrats, then you have to go legislatively. For some reason the Census Bureau has decided, reductio ad absurdum, to count illegal aliens in the 1990 census. The Census Bureau policy jeopardizes the constitutional right of North Carolina citizens, among others, to fair and equal representation.

If the Census Bureau does count illegal aliens, the citizens of my State, and others, may lose a congressional seat. We would lose a congressional representative in North Carolina merely because some of the bureaucrats in the Census Bureau think that the Constitution requires them to count illegal aliens. Well, they better go back to the history books just a little bit. I remind them that there were no illegal aliens in 1787 when the constitutional framers, the Founding Fathers as we call them around this place, debated the issue of the census and reapportionment.

Mr. President, illegal aliens did not have the right to vote. So why should they have the right to determine the outcome of the makeup of our Government? If illegal aliens are counted, States like California will gain a seat at North Carolina's expense. Therefore, Californians will have proportionally more congressional representation than North Carolina and some other States. They will have more seats in Congress thanks to people breaking the law and entering this country as illegal aliens.

I simply do not believe that our Founding Fathers ever intended to allow people who cannot vote and who

break the law, to determine the political makeup of this Government.

Judge Noonan pointed out adequately and accurately, if a foreign army invaded our country on census day, we would not count them in the census. Furthermore, if a gang of drug runners were in our country illegally on census day, we would not count them in the census. So why must we count illegal aliens? The answer is that we should not.

The amendment of Senator SHELBY, of which I am proud to be a cosponsor, makes sense; it has equity; it is fair; and the Senate ought to adopt this amendment. I thank the Senator for yielding.

The PRESIDING OFFICER. Who yields time? The Senator from Illinois.

Mr. SIMON. Mr. President, I yield myself such time as I may consume.

There are two reasons for rejecting the amendment offered by my friend from Alabama, for whom I have great respect. One is that it is unconstitutional, which is a pretty major impairment, and the second is that it is impractical, and that is also a pretty major impairment.

On the Constitution, section 2 of article I talks about electing representatives in apportionment and says, "Their respective numbers, which shall be determined by adding to the whole number of free persons."

Not citizens. The Constitution makes a clear distinction between citizens and persons.

Now, in part, article I has been superseded by article XIV after the Civil War, or the War Between the States, as it is sometimes called. In article XIV, section 1 talks about citizens. In section 2 it says:

> Representatives shall be apportioned among the several States according to their respective numbers, counting the whole number of persons in each State.

It is very clear. The distinction between persons and citizens was even more clear when these two items were drafted. It is very interesting. In the State of Illinois, and my guess is in the State of Alabama and in the State of Louisiana and the State of Iowa and the other States represented here on the floor today, originally noncitizens could vote. In the State of Illinois, noncitizens voted, I believe it was, until 1848. I am not sure of that precise date, but it was a pre-Civil War date. We made a clear distinction between persons and citizens and those who could vote.

So the meaning of the Constitution is clear, and we do not with as much power as we may have as Senators, have the ability to change the Constitution with a simple amendment.

There is a second reason for voting against the Shelby amendment.

Let us just say that Senator RICHARD SHELBY, or Senator JOHN BREAUX, or Senator CHUCK GRASSLEY are going around door to door. You are with the census. You are taking a census. You have to make a determination all of a sudden: Is this person a citizen or is this person not a citizen? You are making the determination the courts have to make. The person from the Census Bureau is not authorized to say who is a citizen and who is here illegally. It would be the most horrendous kind of impractical thing that you could imagine. And I would add you cannot deny rights to people who are not citizens without due process. The U.S. Supreme Court determined that in 1896, and due process is not saying to somebody who is taking a census you just make an arbitrary judgment of whether somebody, a citizen or not, should be counted.

I do not question for a moment the motivation of my friend from Alabama. But this is a amendment that clearly should be defeated.

I add that his proposal is now pending before a committee of this body. And my understanding, and the Senator from Alabama can correct me if I am incorrect, is that Senator BINGAMAN from New Mexico has pledged that there will be a hearing on this question, and that will look into whether there is some way of working out the practical problems. But I suggest that we should not all of a sudden throw a monkey wrench into something that is even at its best a complicated procedure. We are going to make it infinitely more complicated if the Shelby amendment should be enacted into law. And then we are going to have to go through court proceedings.

Do we just suspend taking the next census because we have court proceedings pending? I do not know the answer. But I think we would be wise to say Senator SHELBY is a Senator of much above-average ability and determination who has an idea that has some merit, but on reflection it is both unconstitutional and impractical.

Mr. President, I oppose this amendment because it is unconstitutional, unworkable, and unwise.

This amendment directs the Census Bureau to act in an unconstitional manner by excluding undocumented aliens from the count. The Constitution explicity directs that apportionment be based on the number of persons, not the number of citizens or legal residents. Where the framers intended to make an exception, they said so explicity. This, Indians were excluded, and slaves were only counted as three-fifths of a person for reapportionment.

We cannot turn persons into nonpersons by senatorial legerdemaine. The Constitution directs the census to count the number of people. The only way to change that is to amend the Constitution. That is the opinion of a wide variety of scholars who have researched the topic, including the Congressional Research Service, the Census Bureau, the Justice Department, the ACLU, the American Immigration Lawyer's Association, the Asian Law Caucus, the Asian Pacific American Legal Center, MALDEF, the Southwest Voter Education and Registration Project, La Raza, and the American Jewish Committee, the Illinois House of Representatives, and the city of Chicago.

Aside from being unconstitutional, this amendment would prove unworkable. The Director of the Census Bureau has stated last year that "we have not found an acceptable method to exclude undocumented immigrants" from the count. Each proposed method presents the possibility of serious error, either by an overcount or an undercount of legal residents.

In addition, determining who is here illegally is sometimes a complicated legal matter. Persons may assert claims of political asylum; they may seek suspension of deportation or adjustment of status; or they may invoke a wide range of other defenses. This amendment would force the Census Bureau to find a way to make these legal determinations. The Census Bureau is not equipped to make those judgments.

The Director also said last year that there was not enough time to implement this change for the 1990 census. Now, a year later, that task would be even more difficult. A task that is already difficult to accomplish accurately is made even more difficult by time pressures.

This proposal is also unwise. It would undermine the accuracy of the count of Hispanics and other minority immigrant communities. Census Bureau employees would be unable to determine if all eligible persons had responded to the questionnaire, since they would be forced to determine whether the persons were undocumented or not. Hispanics are already undercounted at a rate five to six times that of the overall population. Since the census data is also used to redistrict State and local governments and to plan for local social and governmental services, it is important for it to be as complete and accurate as possible.

Some legislators have argued in favor of this amendment by pointing to the potential shift in representation that would result from it. This issue, however, is too important and too politically sensitive to be resolved by our own parochial self-interests as legislators. We must heed the Constitution, rather than the cries of those who would seek political advantage.

Because I believe this amendment is unconstitutional, unworkable, and unwise, I will be voting against it. I urge my colleagues to do the same.

Mr. President, I yield to the Senator from Alabama.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SHELBY. Mr. President, I ask that Senator COCHRAN from Mississippi be added as a cosponsor to my amendment.

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

Mr. SHELBY. At this time, I yield 10 minutes to the distinguished Senator from Iowa [Mr. GRASSLEY].

The PRESIDING OFFICER. The Senator from Iowa is recognized for 10 minutes.

Mr. GRASSLEY. Mr. President, I am very happy to be a cosponsor of this amendment. I congratulate the Senator from Alabama for his sponsorship of this amendment and for bringing this very important issue to the floor for debate. It is very important because the very basis of representative government, and the equal division of that representation in Congress among the people of this country, is a sound count of who lives in this country. We assume that people who live in this country live here legally. If they live here illegally, they should not be counted. They should not be here at all to begin with.

I want to set the record very straight. My State of Iowa, under the 1990 census, will probably lose a seat in the House. We will go from six down to five. This will happen regardless of the outcome of the Shelby amendment. Whether we count illegal aliens or not, my State is bound to lose a seat. So my support for this amendment is based upon my respect for representative government, as well as my respect for sound statistics as a basis for the division of 435 Representatives among the States in the House of Representatives.

It is a commonsense approach that I am arguing. I believe we would find a solid consensus if we were to travel among the citizens of our States and discuss the issue of whether or not we ought to have any illegal aliens in this country. You will find no commonsense understanding nor any tolerance toward illegal aliens being in this country at all.

We passed legislation in 1986 to solve this problem. I hope that legislation, passed thanks to the leadership of Senator SIMPSON and other people in this country who worked hard, will work. But it is a fact that it is not keeping all illegal aliens out of this country.

So illegal aliens in this country is a fact of life. Our police and the INS have to be oriented toward moving those people out of this country. Or, through the Simpson amendment, we can punish those who knowingly hire illegal aliens. However, that just does not solve our problem.

So you reach the commonsense question of whether people who are in this country illegally ought to have the right to participate in shaping the laws for those who live here legally. Should this class of people—illegal aliens—distort representative government in the United States? Discuss that with your constituents in Maryland, Alabama, Iowa, Illinois, California, or Texas. Those latter two States obviously have large numbers of illegal aliens. Talk it over with your constituents and you will find, first of all, no tolerance toward illegal aliens. Let us start at another point: You are not going to find tolerance for people who violate the law. Since illegal aliens are in violation of our law, you are going to find little tolerance for their presence.

Should the presence of illegal aliens have a negative, detrimental impact upon the representative process of our country? The answer to that, obviously, is no. We are talking about hundreds of thousands of people who are coming here illegally. That is quite a distortion of representative government, particularly in those States where a high percentage of the illegal aliens reside.

I do not question the sincerity of the Senator from Illinois who says this should not be offered as an amendment to this bill. He says it ought to be studied by Senator BINGAMAN's committee. But this was an issue when I was in the House of Representatives, when the Senator from Illinois was also a Member of the House, in the late 1970's, when we were getting ready for the 1980 election.

Obviously, it was not passed and illegal aliens were counted. And so it is an issue today. Well, if we really had wanted to do this through the process of committee hearings and study, there were 8 to 9 years to do so. But we are right up to the last few months, with just a few weeks to make a decision, before the counters go out in 1990. We must decide whether or not people who are here illegally, people who can distort the representative process, ought to be counted. And the commonsense consensus back there in the grassroots in Illinois or Iowa or Alabama or Kansas is, "no, they should not be counted." I yield for a question, but retain the floor, to the Senator from Illinois.

Mr. SIMON. I agree with 80 percent of everything my colleague from Iowa has to say. There is only one problem. That is the Constitution of the United States. What are you going to do with the Constitution?

Mr. GRASSLEY. I will answer the Senator's question. I am not a lawyer, but there will be evidence given by constitutional lawyers on both sides of that argument before this debate is over. Those arguments will both uphold and dispute your point of view. All I can say is that it just is not right. The Constitution, if you look at it from a commonsense approach, does not say that people who are here illegally can distort the legislative process. A better way of asking this question is to ask if a foreign army of people walked across our border, would we count them? The answer is "no".

Mr. SIMON. If my colleague would yield once again.

Mr. GRASSLEY. I will yield the floor soon. I just want to say, in closing, Madam President, that we have to do this right now if we want the 1990 census to be a true reflection of the number of lawful residents and American citizens. A vote for the Shelby amendment shows respect for obedience to the law and ensures a wise basis for apportionment within our system of representative government. I want to uphold the law. I want to show respect for law. I want to see that there is fair reapportionment in the House of Representatives. That is why I support the Shelby amendment.

I yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. I yield myself such time as I might use.

Mr. President, the Shelby amendment is flatly unconstitutional, and therefore should not be included in this immigration bill. At an appropriate time I will offer a motion to table it.

The amendment is unconstitutional because both article I, section 2 of the Constitution and the 14th amendment require apportionment to be based on "the whole number of persons," regardless of their citizenship or immigration status.

The framers of the Constitution intended to count all persons. That principle is clear from the express language of the Constitution. It uses the word "persons" rather than "citizens" in the census provisions. Elsewhere in the Constitution, the framers used the word "citizens" where that meaning was intended.

For example, section 1 of the 14th amendment provides that—

> No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States. * * *

The apportionment clause, which is found in section 2 of that same 14th amendment, provides that—

> Representatives shall be apportioned among the several States according to their respective numbers, counting the whole number of persons in each State, excluding Indians not taxed. The drafters of that language clearly meant to count every person in the apportionment base. The issue could not be clearer.

The framers' intentions are also clear from the consistent practice of the Census Bureau for 190 years—since the ratification

of the Constitution. To quote the Congressional Research Service, "the fact that every census since 1790 has included legal as well as illegal aliens in its count would seem to be indicative of the fact that the original intent of the framers was to include such aliens. [p. 12].

Courts may have dismissed cases in 1980 and 1988 for lack of standing. The same conclusion has been reached by the Federal courts. In 1980, in Fair versus Klutznick, a three-judge Federal court stated—and I quote—that:

[The Constitution] requires the counting of the "whole number of persons" for apportionment purposes, and while illegal aliens were not a component of the population at the time the Constitution was adopted, they are clearly "persons." [486 F. Supp. 564, 576 (D.D.C. 1980).

In other contexts, the Supreme Court has consistently held that the word "persons" in the 14th amendment includes illegal aliens. For example, in 1982 in Plyler versus Doe, the Court ruled that the equal protection clause bars States from completely excluding illegal aliens from its schools. The CRS study concluded that—and I quote:

A statutory exclusion of aliens from [the apportionment] base would seem to violate the "whole number of persons" requirement and thus be unconstitutional.

The Justice Department, under both Presidents Carter and Reagan, also recognized that the Constitution bars excluding illegal aliens from the census. And in the past, the Justice Department has opposed legislative proposals to exclude illegal aliens from the apportionment base on constitutional grounds.

As a practical matter, the Shelby amendment is unworkable, because it would require the Census Bureau to exclude illegal aliens from the apportionment counts. In 1988, the Director of the Census Bureau testified before a House subcommittee that—and I quote:

[The Census Bureau] has not found an acceptable method to exclude undocumented immigrants from the apportionment counts. [p. 5]

The reason is obvious. If census takers are required to ask people whether they are illegal aliens, the question will provoke widespread fear and suspicion and noncooperation with the census.

The Census Bureau found that—and I quote:

A census of only legal residents cannot be done as accurately as a census of all residents. People who are undocumented immigrants may either avoid the census altogether or deliberately misreport themselves as legal residents in the census. * * * Legal residents may be confused about why the Government is asking whether a person is here illegally. Legal residents, therefore, may misunderstand or mistrust the census and fail or refuse to respond.

The Census Bureau is clearly not the proper agency to decide who is: In the United States in violation of the immigration laws.

Census takers are not experts on our immigration laws. Do we want part-time or one-time Government employees to be deciding immigration status? That's what the Shelby amendment would require.

Finally, the Shelby amendment is inappropriate to add to this important legislation.

In April, the Senator introduced this amendment as a freestanding bill, which is pending in the Subcommittee on Government Information and Regulation of the Governmental Affairs Committee.

The distinguished chairman of that subcommittee, Senator BINGAMAN, has agreed to hold hearings on the Shelby bill. In addition, Senator SIMON, the chairman of the Constitution Subcommittee of the Judiciary Committee, has agreed to hold hearings on the constitutional issues raised by excluding illegal aliens from the apportionment base.

It is clear that the Senator's proposal will be given fair consideration. But in light of the serious constitutional problems with the proposal, the Senate should not permit the committee process to be end-run; and it should not permit this immigration bill to be saddled with a highly controversial, and almost certainly unconstitutional amendment.

I urge my colleagues to vote to table the Shelby amendment.

Mr. SIMPSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SHELBY. Madam President, there is controlled time on this. I yield 5 minutes to the distinguished Senator from Wyoming.

The PRESIDING OFFICER. The Senator is correct. The Chair did not see the Senator standing.

Mr. SIMPSON. Thank you, Madam President.

This was not one of the amendments that was discussed thoroughly by the subcommittee at all, but it is something that Senator SHELBY of Alabama feels very strongly about. He did last time and at my urging he withdrew the amendment. The amendment was very important to him and I appreciated that. And I said, "We will deal with that sometime in the future. I see what you are trying to do. I realize it is contentious and the issues of constitutionality are here."

But I think that this is an appropriate amendment in that it would prohibit the Census Board from counting illegal aliens. I would rather we did not deal with it on this bill, but since it is here and now that it is the third amendment on illegal immigration that we have dealt with on this legal immigration bill, we should address it. I am going to support it. I am well aware that the Constitution states that we shall count persons—that is the description—not merely citizens, when conducting the census every decade.

But I do not believe that the framers of the Constitution in 1789 or the framers of the 14th amendment in 1866 ever conceived of the stunning phenomenon of illegal immigration.

While there is no distinction drawn in the Constitution between persons and citizens, I am not at all of the belief that the framers would have wanted us to include illegal aliens. A concept unknown to them at that time in our history, and yet oddly enough, they believed wholeheartedly in slavery, or at least partially in slavery. So it is unknown what they may have been thinking when they used that term, but they certainly, I think, did not suspect what would occur with regard to the problem of illegal immigration.

I think it would have been out of the scope of their definition of "person" to be counted for apportionment purposes.

It is the first duty, and I have said it so many times, the first duty of a sovereign nation to control its own borders. We have tried fervently to do that in recent years, but I am not certain that we yet do. Maybe we have more work to do.

But are we to count the people who we do not want to enter? That is an extraordinary thought. We are going to count the people who we do not want to enter and then apportion the Nation's seats in the U.S. House of Representatives based upon their presence because of some ambiguous wording in our Constitution? I think not. I think that really strains logic.

In addition, no court has yet ruled conclusively on the proper interpretation of the word "person." Many cases involving the issue have been thrown out for lack of standing or other technical reasons, but I do not believe the constitutional interpretation has ever been addressed on the merits. I would inquire of my friend from Alabama, the sponsor, if that is so or if he is aware of that.

He has phrased it well in his bill. These people cannot vote. I have been dazzled a bit by various votes, but I do not think we are going to allow illegal aliens to vote. They cannot vote. So whatever happened to one man, one vote? I know I should not get that clear in an argument. I do not want to try to do that again. They cannot vote.

So what in the world does the Supreme Court decision of one man, one vote have to say, actually, then?

I think decisions have been made on technical issues before, never addressed on the merits. Until we have that interpretation of the Court on the merits, I believe it is just simply good public policy to try to limit the

number of persons counted for apportionment purposes to the number of persons who are citizens who are otherwise legally admitted to the United States.

Sure this is a difficult question that cannot be easily answered, but all of my colleagues know that when you are dealing with immigration, refugees, legal immigration and illegal immigration you already know there are no easy answers in anything we do in this area.

Our job is simply to get it out and vote it up or down. We try to be fair with the American public and honest with the American public, and that is what the Senator from Massachusetts and I have tried to do throughout our long linkage in this. You want to duck a lot of these. Oh boy, that is the name of the game. But we are trying to get them before the body. The Members take care of it very nicely if we do not bring it before the body. This is not an easy issue. It has no easy answers. But I think it is one that is important to be addressed, and I will support my good friend from Alabama.

The PRESIDING OFFICER. Who yields time?

Mr. SHELBY. I yield 5 minutes to the distinguished Republican leader.

Mr. DOLE. Madam President, I thank the distinguished Senator from Alabama. I rise in support of his amendment.

I appreciate the comments just made by the assistant Republican leader, Senator SIMPSON.

I think it was Senator HELMS who said under the strained interpretation of some in this body if we were being invaded on census day by a foreign army, we would count them. I do not think that is the intention.

As Senator SIMPSON has pointed out, they are illegal aliens, they cannot vote. We do not want them here, but they are still counted for census purposes, which does make a difference when you get into one man, one vote and congressional representation.

So I congratulate my colleague from Alabama and the distinguished Senator from North Carolina [Mr. HELMS].

I would also point out the point has been made before that the illegality of individuals within the borders of the United States did not exist until 1875, so that is after the 14th amendment in 1866 and after 1789, so I do not think the framers of the Constitution had that in mind. I do not think the question has ever been squarely put to the Supreme Court. If not, maybe it is time it should be put to the Supreme Court. Why wait another 10 or 12 years? This has been an issue as long as I have been in the Congress, 8 years in the House and 20 years in the Senate. It is always going to be addressed and we are always going to have hearings.

Here we are 10, 15, or 20 years later.

I would just say that the established policy of the Census Bureau is to count every person in this country without making a single adjustment for illegal aliens. I do not know what they do when they get up to the United Nations. Maybe they count everybody in the United Nations, too.

I am not certain whether they count Americans who are overseas. I do not think they do. They may vote here but they are not counted.

So the Census Bureau intends to continue this policy through 1990 unless the Senator from Alabama and the Senator from North Carolina are successful.

It just does not make any sense. It does violate the constitutional principle of one man, one vote, and it is just plain unfair to those Americans who live in this country and live here legally.

I think the Shelby amendment is a straightforward solution to this problem. It simply requires the Secretary of Commerce to make the necessary adjustments, use tabulating procedures, both feasible and appropriate, to make sure illegal aliens are not counted in the census. This is a sound solution that will restore fairness to the census and reapportionment process.

I commend the Senator from Alabama [Mr. SHELBY] and the Senator from North Carolina [Mr. HELMS].

I would hope we could adopt this amendment. It seems to me it will make a great deal of common sense.

There is not much precedence for using that around here but now and then you might get lucky.

I yield back the remainder of my time.

Mr. KENNEDY. I yield 7 minutes to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Madam President, I thank my distinguished colleague from Massachusetts for yielding to me. I think this is a subject that we could debate forever.

But I think the plain truth is that the distinguished Senator from Massachusetts is right and he is right in two ways. First of all, this bill is not going to become law, since the House has not taken it up, until after the 1990 census is set. So no matter what we do today, we are not going to affect the 1990 census.

I think the Senator from Alabama has raised a point that ought to be discussed. I think we ought to hold hearings on it. I think we ought to look at amending the Constitution on the subject. I think it should be fully debated.

But first we are not going to effectively change the 1990 census here today and, second, we are today considering an amendment that is clearly unconstitutional.

Now, we all love the basic principles of the Constitution, but we sort of try sometimes to use it like the Bible. We take out of it what we like and we leave the part that we do not like out of the picture.

Well, Madam President, I guess the simplest way of making my point is to simply take the part of the Constitution that is totally unambiguous. You cannot be more unambiguous than this. Amendment 14 to the Constitution of the United States, section 1 says:

> All persons born or naturalized in the United States, and subject to the jurisdiction thereof, are citizens of the United States and of the State wherein they reside.

Section 2:

> Representatives shall be apportioned among the several States according to their respective numbers, counting the whole number of persons in each State.

Now, Madam President, one can hardly be clearer than that—that apportionment shall be based on the whole number of persons in each State. We cannot rewrite the Constitution on the floor of the Senate to suit our purposes even though from time to time our purposes might be noble.

I suggest that since, No. 1, this is never going to be in effect prior to the 1990 census that we begin now and look at this very real question. I want to assure my colleague from Alabama that I believe in enforcing the law. I believe that people that come into this country illegally are violating the law.

In a great action of humanitarianism, unmatched anywhere else in the world, we granted amnesty last year to millions of people who came to this country illegally. I believe it is imperative that we enforce the law today in terms of preventing people from coming into this country illegally.

But I do not believe that, for the purpose of trying to affect reapportionment, we ought to be trying to amend the Constitution on the floor of the U.S. Senate by passing an amendment to a bill that, if it becomes law, will be superceded by the Constitution.

So whatever appeal the amendment might have, it clearly is not relevant to the 1990 census and, No. 2, it is clearly unconstitutional. And as you look at section 1 and section 2 of amendment 14, it could not be clearer than the 14th amendment intended that apportionment should be on the basis of counting the whole number of persons of each State.

I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Madam President, I will just make a brief comment in response to the points that were raised earlier here. No one is suggesting today that aliens, much less illegal

aliens, should be permitted to vote. But children are not permitted to vote either and they are included in the apportionment base.

We in the Congress represent everyone in our State or district and it is wrong to say that undocumented aliens are not "persons" under the Constitution.

It is rather surprising to hear those who claim the title of strict constructionist to strain and to torture the meaning of the word "person" in the Constitution to exclude illegal aliens. "Persons" means "persons" and that is the plain meaning of the Constitution.

Finally, Madam President, as the Senator from Texas has pointed out, this legislation is going to take a good deal of time before the House of Representatives addresses it and then also until we work out final action in conference. I think the last Immigration Act, the 1986 act, was perhaps the last item that was considered in the 99th Congress. I hope that will not be the fate of this legislation.

But clearly this is going to be one that is going to take a good deal of time. And if the Senator is looking for effective means for securing action on this, it certainly is not this particular piece of legislation.

I do not want to cut the Senator from Alabama off, but I would like to move to table.

I withhold the motion.

Mr. SHELBY. We both have a stated time. There is still time left in the debate.

Madam President, I yield myself as much time as I may consume.

It has been said in the course of the debate this afternoon that there has not been any hearings on this. All of us who have been here in the Senate and in the House before then know that there have been hearings in the Senate and the House on this very subject over and over. We have a record of it right here.

It always comes up when you have a controversial bill, they say, "Well, we will hold hearings on it later." Well, it is before the Senate now. It is right before the Senate where we can vote on it today.

The other argument has been that this is unconstitutional. In truth and in fact, the Supreme Court of the United States has never directly ruled on the illegal alien question, whether it would be included or not or should be under the sweep of the Constitution. That is undisputed.

What we should do today is vote up or down on this issue and include it in this legislation, because we have the 1990 census coming up before us and this will distort the one person, one vote; one man, one vote that we all talk about on both sides of the aisle.

What is this really going to do? You can look around and say, "Well, this is going to distort in favor of some States at the expense of others and give those States more congressional representation in the House of Representatives based on illegal aliens being there, not the citizens, not the documented legal aliens, but illegal aliens."

It is going to cause some problem. We do not know how much, but we have some areas that know that it is going to cost a number of States congressional representation in the U.S. House of Representatives. That is undisputed. We know that there is politics involved in this; that some States are going to gain congressional seats in the U.S. House of Representatives, I submit to you, based on people being illegally in their States, thousands, hundreds of thousands, if not millions in the case of one big State, California.

So you can go down the line and you can tell who is going to benefit from the illegal aliens, and you know who they are. Well there are probably others, but the great State of California, Texas, Florida, probably New Mexico, and probably others at the expense of others. And that is what it is all about.

I think it is a question of fairness, Madam President, and whether we are going to vote on it that way this afternoon. I believe that it ought to be left up to the courts to decide this, especially an issue that has never been decided by the Supreme Court of the United States. That is why this is an important issue we should address now so that in 1990 we will know where we are going then and know where we are going in the future.

Mr. KENNEDY. Madam President, I yield myself 2 minutes.

The reason that the Supreme Court has not ruled on the issue of illegal aliens is because the Census Bureau has, for 190 years, counted all persons; and they started doing that when the Founding Fathers were still alive and the framers were right there. That is the reason, Madam President, because the best information that we have on the distinction between persons and citizens—which has been mentioned previously by myself and the Senator from Texas, a clear distinction in the Constitution—is that right after the ratification of the Constitution, when they took the first census, that is the way they did it.

They cannot give us a single statement, can the Senator, about where any of the framers of the Constitution intended not to count then. Can the Senator from Alabama?

Mr. SHELBY. We think we have some information over here. I was going to let the Senator from Massachusetts finish and then I will speak on my own time.

Mr. KENNEDY. I am interested. I look forward to whatever information is available but I think one can say from the earliest time the process and procedures have been set up. They have been followed. And it seems to me, again, for that reason it is not really appropriate to exclude illegal aliens. We are talking about legal immigration here in this legislation. We dealt with illegal immigration in 1986. We are talking about legal immigration here and this, really, I do not believe, is related to that. It does present important constitutional issues. I do not think it is worthy for inclusion in this bill.

I do not happen to be a Senator representing a State that is going to benefit. We expect to lose a seat in the next apportionment in my State of Massachusetts.

So I want to point that out as someone who is expressing reservations and opposition to the amendment.

I would be glad to yield 10 minutes to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas.

Mr. BENTSEN. Madam President, one simple thought. It is unconstitutional. And the framers of the Constitution understood the difference, the distinction between the word "persons" and "citizens." And they clearly spoke of the whole number of free persons. That is a broad term. The framers did that deliberately. And "persons" is used both in the text of the Constitution itself and in the 14th amendment, which deals with apportionment.

The Founding Fathers spelled it out in particular. They made it clear when they were talking about someone running for the Senate, or running for the House. They said that person has to have been a citizen for 7 years.

Article II says that you cannot be President of the United States unless you are a natural born citizen. They did not say person, they said citizen.

So, when it comes to counting the people for the census, the framers of that Constitution used that work "persons," and not "citizens."

That is unambiguous. What we have seen is we have seen this tried now from the 71st Congress, the 76th, the 86th, and the 100th Congress, and each time this issue has come up the Congress has rejected it. They rejected it out of hand.

We ought to accept that kind of a collective wisdom and reject this amendment as well. It does not differ in any appreciable way from the legislation that was offered nearly 60 years ago in the 71st Congress or just a year ago in the 100th Congress.

If the Senator from Alabama wants to take care of this, then he ought to propose a constitutional amendment. That is the way it ought to be done. What he is trying to do is get around a court ruling just 2 months ago that dismissed a suit to prevent the Census Bureau from counting noncitizens.

Let me tell the Chair what the problem is from a practical standpoint. You get down to a place in south Texas. You go up to a house and, first, they are afraid of Government officials in many instances. A lot of times they cannot speak the English language.

If we start probing on their citizenship, how long they have been in the country, what documentary proof they have, we encounter the practical problems of trying to accomplish that kind of a count. We have been undercounting for years in this country, often with minorities or the poor, trying to determine whether they are counted or not. I worked on some legislation to try to correct that. The Senator from New York has joined me in that regard.

All this does is it adds to that kind of a problem.

Alabama filed suit to prevent the Census Bureau from counting undocumented aliens in the 1990 census. That suit was thrown out. In 1980 another Federal court considered a constitutional challenge to the Census Bureau's practice of counting noncitizens. The challenge was that the Census Bureau was violating the Constitution because it did not separate out citizens from noncitizens for apportionment purposes.

The court ruled, of course, in favor of the Census Bureau saying that the Constitution's language is absolutely unambiguous on this particular point.

So there is a very real, practical problem we have involved here. Again it is a question of undercounting for the census. The Census Bureau says it has been forced to exclude persons from the census count in violation of its statutory duty. It has no way to ensure a reliable count of U.S. citizens and lawful residents. That is just too heavy a price to pay.

Over the years the Census Bureau has made some progress in eliminating some of that undercount and we should not revise that forward kind of a trend, especially when we are trying to improve the counting of traditionally uncounted people in our country. We undercounted them, undercounted them when it comes to the poor, the blacks and the Hispanics, and that position is just going to be made worse by this kind of an amendment.

I must say, too, it raises a very real procedure problem because we are dealing with a fundamental constitutional issue and no committee has reviewed this particular matter. I understand that Senators SIMON and BINGAMAN, the subcommittee chairmen with jurisdiction, have agreed to promptly hold hearings on this proposal and we ought not to tamper with a constitutional issue as important as this one without the benefit of that kind of review.

Congress and the Justice Department have opposed it and the Census Bureau has been clear and consistent in opposing any effort to restrict the census count in any way.

I would hope that my colleagues here would defeat this amendment and do it overwhelmingly.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. I yield 7 minutes to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida has been yielded 7 minutes.

Mr. GRAHAM. Madam President, we have heard considerable and I think very lucid and persuasive debate about the constitutional issue involved here as it relates to the definition of a person. Let me suggest to colleagues that there is another constitutional issue involved in this matter. That is the issue which is found in article I, section 8, which defines, Madam President, the powers and responsibilities of the Congress. One of those powers is "To establish an uniform Rule of Naturalization."

It is a responsibility, a singular obligation and challenge of the Congress under the Constitution to establish "an uniform Rule of Naturalization."

It was not the city of Brownsville or Tucson or San Diego or Miami or Baltimore or New York or any of the communities which have traditionally received or have in recent years received large numbers of persons from around the world, persons who had different labels. Some were called immigrants. Some were called refugees. Some were called entrants. Some had no status at all.

But those communities had no ability to influence those judgments. They did not have a border patrol. They did not have a Coast Guard protecting the United States from illegal entrants. They were unable to influence the determination as to where those persons, once they were within the boundaries of the United States, chose to call home. Those were decisions totally out of the hands of those local communities.

Those local communities, Madam President, as you know, have benefited by the richness of those new people, richness in terms of their cultural and educational and other values. But they have also, Madam President, borne a heavy responsibility.

Let me just mention this from the perspective of my State of Florida, which in recent years has been a frontier State in terms of persons coming into the United States: As recently as the beginning of this decade in 1980, in a period of just a matter of weeks, we accommodated 200,000 people from the Caribbean, from Haiti, and from Cuba.

Some of those had a status. Some of those did not. That was not a decision that the State of Florida or the citizens of any individual city made. It was a decision which, if it was made at all under the Constitution, was made by this Congress and the Federal Government in the establishment of "an uniform Rule of Naturalization."

Whether by commission or omission, our policy was to allow large numbers of undocumented aliens to come into this country. In recent months, within the last 24, we have had another surge. It has been a surge particularly from Central America. From the single country of Nicaragua, Madam President, think of this for a moment, we have throughout the school year that just concluded—the school year of 1988—added on average a new school every month in the Miami area, a new school every month populated exclusively by Nicaraguan children, most of whom would be categorized as illegal aliens or undocumented aliens under this provision. The estimated cost to the school system of Dade County in the State of Florida is well over $100 million.

Madam President, in addition to that, other public facilities, such as major public hospitals, have had to bear a heavy responsibility because we are a humane and compassionate people. We do not turn away those in need. We do not turn away the sick, the ill, the pregnant woman just because they do not have a ticket or because they do not have an appropriate document. And so these communities neither ask for this responsibility nor do they have the ability to effect those decisions that were made by thousands of people and, yes, they have been obligated to accept very significant social and financial responsibilities. And now we are about to say that in spite of all of that, that in some perverse manner, these communities have been the beneficiaries of this failure of the National Government to fulfill its constitutional responsibility to establish a uniform rule of naturalization and that they should be punished again by having another failure by changing a 200-year definition of the U.S. Constitution of who is counted for purposes of the census.

This is a count which is not only for political purposes, the allocation of seats in the national Congress, but also for the allocation of everything from sewer grants to provide basic community services which these, as well as other persons, are going to require, to all the other ways in which the Federal Government allocates funds to meet the responsibilities and needs of our communities and their citizens.

Why, by what standard of fairness for justice could you say that we should now punish these communities a second and a third time by denying them what, by all accounts, is just a

fair allocation of funding because we are going to say that we will not count these people who buy Federal policy in the establishment of a uniform rule of naturalization has caused to come to their communities.

Madam President, I believe that this amendment, while motivated by reasons that are sufficient and justifiable to the sponsors, has a perverse twisting of the very responsibilities of this Federal Government and that rather than move along this track, that we should take another path, and that path should be one of accepting as a national responsibility the consequences of the application or the failure to apply and enforce our standards of a uniform rule of naturalization. That would be a policy that would be worthy of a great Nation.

When the Statue of Liberty was accepted from the French people and set down in New York harbor, it was not a statue for the City of New York or the State of New York or the immediate environment. It was a statue that stood for the United States of America, and the statements that were contained there about our sense of universality were for all Americans. I believe that in carrying out that concept of the national responsibility for naturalization that we should defeat this amendment which moves in exactly the opposite direction by denying national responsibility, and we should instead be prepared to accept the national challenge and obligation of seeing that the appropriate needs of those communities which have been so heavily impacted and which have borne for so long this special responsibility is eased. Thank you, Madam President.

Mr. SHELBY. Madam President, how much time do I have left?

The PRESIDING OFFICER. The Senator from Alabama has about 27½ minutes.

Mr. SHELBY. How much time is left on the other side?

The PRESIDING OFFICER. About 24 minutes.

Mr. SHELBY. I yield myself as much time as I may consume.

The PRESIDING OFFICER. The Senator may proceed.

Mr. SHELBY. Madam President, there has been a lot said here about the Constitution, and so forth. The truth of the matter here is that the Supreme Court of the United States has never ruled on this case or a case similar to this. This would be an excellent opportunity to bring it before the courts. If we adopt the Shelby amendment, somebody is going to challenge it. We have a severability, or we could put a severability clause in this legislation sponsored by the Senator from Massachusetts, and then for the first time we will let the Supreme Court of the United States decide something that we need an answer to. What is that answer? The answer is are we going to count illegal aliens in the reapportionment process that gives certain States more representation in the U.S. House of Representatives than they do others?

In other words, are a lot of States going to be able to profit because there are hundreds of thousands more illegal aliens in their States? Will that give them greater representation? If we do not stop it here by passing this legislation, they are going to do it. That is the bottom line. It is not complicated.

Why do some people not want the courts to rule on this? This would be a great opportunity. My opponents to this amendment could say let us put it before the courts since the courts have never ruled rather than coming up and say this is unconstitutional. How can they say that? That is their interpretation of this. Other legal scholars have another interpretation saying, among other things, that the court has not ruled and that is undisputed.

The distinguished senior Senator from Texas mentioned a minute ago about some cases being dismissed. They were not dismissed on the merits; they were dismissed because of lack of standing to bring the suit. The courts did not rule on the merits. Of course, he did not say they ruled on the merits, but that ought to be clarified. That is why I am trying to do that at the moment.

Let me share with you some of the words in a case of the renowned Justice of the Supreme Court, Oliver Wendell Holmes. In 1918 he said, and these words have not changed and he is talking about words:

> Words are not transparent and unchanging. * * * They may vary greatly in color and content according to the circumstances and the time in which * * * they are used. In each case we must, indeed, look to the circumstances and context of the drafting of the phrase in question.

The word "persons" is not precise, but is ambiguous when used in the Constitution. It is not used in the same sense in every context. For example, it is settled law that "persons" in section 1 of the 14th amendment includes corporations.

Yet no one has supposed the debate here today that the Bureau of the Census should count corporations when counting persons under section 2 of the 14th amendment. This common sense reaction, Mr. President, that "persons" in section 1 means something different from "persons" in section 2 demonstrates that "persons" in the abstract is an ambiguous term whose meaning is to be determined by the context and the purpose of the Constitution.

I submit to you today, and it is undisputed that the courts have not ruled on this precise question, and this is a great opportunity to take it forward rather than hiding behind it and saying, look, it is 1990, we cannot get it out there. We can get it out there. We can do something about it because otherwise a lot of people are going to benefit from the counting of illegal aliens and it is going to distort the U.S. House of Representatives. It is going to hurt a lot of States.

Madam President, I ask unanimous consent that the testimony of John T. Noonan, Jr., professor of law at the University of California, Berkeley, be printed in the RECORD.

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

TESTIMONY OF JOHN T. NOONAN, JR, PROFESSOR OF LAW, BEFORE SUBCOMMITTEE ON ENERGY, NUCLEAR PROLIFERATION, AND GOVERNMENT PROCESSES, SEPTEMBER 18, 1985

ACTUAL ENUMERATION OF THE ALIEN

Has Congress the power to exclude aliens unlawfully within the country from the "actual Enumeration" of persons upon whom the Constitution prescribes that representation shall be based?

I. Arguments in the negative

Three principal arguments deny Congress the power to exclude aliens who are in the country in violation of law from enumeration for the purpose of determining representation in the House of Representatives.

1. *The text of the Constitution.* The Constitution, Article I, section 2 declares:

"Representation and direct taxes shall be apportioned among the several States which may be included within this Union, according to their representative *Numbers*, which shall be determined by adding to the *whole Number* of free Persons, including those bound to Servitude for a Term of Years, and excluding Indians not taxed, three fifths of all other Persons. The actual *Enumeration* shall be made within three years after the first meeting of the Congress of the United States, and within every subsequent term of ten Years, in such manner as they shall by law direct." (Italics supplied)

The Constitution speaks twice of "Numbers" and once of "Enumeration" without any qualifications as to those to be counted, except for the untaxed Indians and the "other Persons," slaves, who are counted at three-fifths. The "whole number of free Persons" appears to include aliens, legally or illegally within the United States.

The Fourtheenth Amendment, section 2, removing the reference to slaves, has not altered the basic emphasis on numbers:

"Representation shall be apportioned among the several States according to their respective *numbers*, counting the *whole number* of persons in each State, excluding Indians not taxed * * *." (Italics supplied)

The text again makes an exception that emphasizes the otherwise inclusive nature of the enumeration. Moreover, there is provision for reduction of the representation in proportion to the number of male adult citizens who are denied the vote, but no provision for reduction because of other voteless persons in a state. It is plain that the Constitution contemplated that the voteless would be counted—women, before the Nineteenth Amendment; children of every age; prisoners; and aliens.

2. *The Analogy of Decisions and Dicta of the Supreme Court of the United States.* The Supreme Court has decided cases bearing on the rights of aliens, and in the course of doing so, has created analogies and issued dicta that point to the conclusion that for most purposes of constitutional law all aliens must be counted as "persons."

In *Yo Wick* v. *Hopkins* 118 U.S. 356, (1886), enforcing the due process and equal protection clauses of the Fourteenth Amendment on behalf of lawfully-resident aliens, the Court said:

"These provisions are universal in their application, to all persons within the territorial jurisdiction, without regard to any differences of race, or color, or of nationality."

If "persons" under section 1 of the Fourteenth Amendment includes everyone without regard to "any differences . . . of nationality," it is reasonable to believe that "persons" in section 2 of the Fourteenth Amendment includes everyone without regard to nationality.

The Supreme Court has found it unconstitutional to deny such social benefits as public education to children unlawfully within the country, *Plyler* v. *Doe* 102 S. Ct. 2382 (1981). In doing so the Court has taken note of the danger of a "shadow population" and "the spectre of a permanent caste of undocumented resident aliens," *ibid.*, 2395. Failure to count, and to provide representation for, such aliens would indeed make their presence ghostly and increase the likelihood of their becoming a kind of inferior, exploited caste. The Court drew attention to the statement of Senator Jacob M. Howard during the debate on the Fourteenth Amendment that the rights conferred by the first section belong "to all persons who may happen to be within their [the states'] jurisdiction." The Court quoted the teaching of *Yo Wick, supra.* The Court found that a state could not draw a line between lawfully and unlawfully resident alien children in making education available.

If the states cannot withhold such an important benefit as education, and if as a matter of course the states must provide police and fire protection and make available the highways, it is only right that the undocumented aliens be represented in Congress. Only in this way will the states with large numbers of undocumented aliens be assured of getting their fair share in the federal programs which would assist them in meeting their obligations to the strangers in their midst. To have the Supreme Court impose upon the states obligations toward the alien, and to have representation in Congress not reflect the distribution of the alien population, would be a species of unfairness. As the burdens of government increase with the existence of an alien population, legal or illegal, so should representation increase.

3. *Actual Litigation of the Issue.* In *FAIR* (Federation for American Immigration Reform) *v. Klutznick* 486 Supp. 564 (D.D.C. 1980), appeal dismissed 447 U.S. 918 (1980), *affirmed per curium* (D.C. Cir., November 6, 1980) *cert. den.* 101 S.Ct. 1697, the plaintiffs sought an injunction to prevent the Census from counting aliens illegally in the country. Not only was the case dismissed on the grounds of lack of standing, but the court commented on the merits. It quoted Representative Emmanuel Cellar speaking in the House of Representatives and specifically arguing that the Founders intended everyone, including illegal aliens, to be counted. The court then said at 576, "We see little on which to base a conclusion that illegal aliens should now be excluded."

In *Young v. Klutznick* 497 F. Supp. 1318 (E. D. Mich. 1980), reversed 651 F. 2d 617 (6th Cir. 1981), the plaintiffs sought an order directing the Bureau of the Census to avoid an undercount of minorities and aliens. No distinction was drawn between legal and illegal aliens. The district court cited with approval *FAIR v. Klutznick, supra.* It issued an order, saying *inter alia* at 1339, that it was "the right of every person within the United States of America on April 1, 1980 to be counted in the census." The decision was reversed on the ground that a causal connection had not been established between a census undercount and injury to the plaintiffs; the district court's statement on the right to be counted was undisturbed.

Constitutional text, Supreme Court dicta, actual decisions thus support the view that Congress has no power to exclude undocumented aliens from being counted.

II. Arguments in the affirmative

1. *The Text of the Constitution.* The Constitution itself is ambiguous and open to interpretation on this question. "Persons" in the Constitution is not used in the same sense in every context. For example, it is settled law that "persons" in section 1 of the Fourteenth Amendment includes "corporations," *Santa Clara County v. Southern Pacific Railroad* 118 U.S. 394 (1888). Yet no one has supposed that the Bureau of the Census should count corporations when counting persons under section 2 of the Fourteenth Amendment. This commonsense reaction—that "persons" in section 1 means something different from "persons" in section 2—demonstrates that "persons" in the abstract is an ambiguous term whose meaning is to be determined by the context and purpose of the Constitution.

2. *The Powers Conferred by the Constitution on Congress.* Article 1, section 2 says that "the actual Enumeration" is to be made by Congress "in such manner as they shall by law direct." The language confers on Congress the power to make the actual count in such ways as Congress shall determine; it confers broad discretion on Congress to determine what "the actual Enumeration" shall be.

The Fourteenth Amendment, section 5, confers on Congress the "power to enforce, by appropriate legislation," the provisions of the amendment. The Supreme Court has recognized that this section gives Congress "a positive grant of legislative power" and a wide latitude, including the power to make determinations that will lead the Supreme Court to change its own reading of the Constitution, *Katzenbach v. Morgan* 384 U.S. 641 (1966).

Congress has also the powers conferred under Article I, section 8: "To regulate Commerce with foreign Nations" and "to establish an uniform Rules of Naturalization." The United States as a sovereign also has the duty and right under Article IV, section 4, "to guarantee to every State in this Union a Republican Form of Government" and to "protect each of them against Invasion."

These powers—the Article I, section 2, power carried over and strengthened by the Fourteenth Amendment, sections 2 and 5; the foreign commerce power; the naturalization power; and the power to guarantee a republican form of government and to prevent invasions—are ample to legitimate the exercise of congressional authority to regulate representation based on undocumented aliens. As Justice Jackson, writing for the Court, said in *Harrisades v. Shaughnessy* 342 U.S. 580 at 588 (1952); "It is pertinent to observe that any policy towards aliens is itself intricately interwoven with contemporaneous policies to the conduct of foreign resolution, the war power, and the maintenance of a republican form of government. Such matters are so exclusively entrusted to the political branches of government as to be largely immune from judicial inquiry or interference." Where the courts should not interfere, it remains for Congress to set down the law constituting the proper rule.

3. *The Decided Cases.* Only one case litigated the issue of whether illegal aliens had to be counted, and it was decided on procedural grounds, *FAIR v. Klutznick, supra.* The other relevant case, *Young v. Klutznick, supra* was reversed on appeal, and the validity of its order to the Bureau of the Census was never examined on the merits. Neither case addressed itself to the power of Congress to make a determination of the issue. Neither case is a precedent on this question.

4. *Dicta of the United States Supreme Court.* The Supreme Court, upholding the exclusion of short-term resident aliens from Medicare, recognized that it is not necessary that "all aliens must be placed in a single homogenous legal classification," *Matthews v. Diaz* 426 U.S. 67 at 78 (1976). There were, the Court said through Justice Stevens, at least the following categories:

1. The overnight visitor.
2. The unfriendly agent of a foreign power.
3. The resident diplomat.
4. The illegal entrant (*ibid.* at 80).

It is not the policy of the Bureau of the Census to count all foreign diplomats, although in the most literal sense they are obviously persons, Affidavit of Daniel B. Levine, Deputy Director of the Census Bureau, filed in *FAIR v. Klutznick, supra.* If there was an invading army on American soil, one does not suppose the Bureau of the Census would count the enemy troops. There is no necessity that the Bureau count any alien who is unlawfully within our borders.

The Supreme Court has recognized that the states may exclude lawfully-admitted resident aliens from certain public offices. In a dictum the Court said a state could reserve for citizens those offices which "perform functions that go to the heart of representative government," *Sugarman v. Dougall* 413 U.S. 642 at 647. In *Foley v. Connelie* 435 U.S. 391 (1978) the Court, upholding a state discrimination against aliens, declared that "the right to govern is reserved to citizens" and acknowledged at 296 "the right . . . of the people to be governed by their citizen peers." Recently, in *Cabell v. Chavez-Salido* 454 U.S., 432 (1982), the Court (5-4) upheld California's exclusion of resident aliens from the occupation of peace officer, accepting the argument that "although citizenship is not a relevant ground for the distribution of economic benefits, it is a relevant ground for determining membership in the political community." The Court, through Justice White, went on to say:

"The exclusion of aliens from governmental process is not a deficiency in the democratic system but a necessary consequence of the community's process of self-definition."

By definition, aliens, the Court observed, are outside the political community.

If it is proper for the states to distinguish aliens from citizens as participants in the political process, it is *a fortiori* proper for Congress, which has far greater power as to aliens, to do so—especially is it proper where the function "goes to the heart of representative government." If "the right to govern is reserved to citizens" in the allocation of public offices in a state, the right to govern is *a fortiori* to be reserved to citizens

in determining representation in the Congress. If the exclusion of even lawfully-admitted aliens, residents of long-standing, is constitutional, if it is not a deficiency but "a necessary consequence of the community's powers of self-definition," then, *a fortiori*, it is constitutional and even necessary for Congress to exclude from "the governmental process" aliens who have entered the country in violation of our laws.

5. *Holdings of the Supreme Court.* In *Wesberry v. Sanders* 377 U.S. 1 (1964), the Court ordered the Georgia legislature to redistrict the congressional districts in the state because of marked disparities in their populations. The plaintiffs had contended that living in a large congressional district they were deprived of "the full benefit of their right to vote" in violation of Article I, section 2, of the Constitution. The Court accepted their claim and disapproved of "vote-diluting discrimination." The Court, through Justice Black, went on to state:

"To say that a vote is worth more in one district than another would not only run counter to our fundamental ideas of democratic government, it would cast aside the principles of a House of Representatives elected by "the People," a principle tenaciously fought for and established at the Constitutional Convention, *ibid.* at 8."

The delegates at the Convention, the Chief Justice continued, wanted "every man's vote to count." He referred to "the Great Compromise" that gave every state two senators and made representation in the House proportionate to numbers, and then said at 14, "The principle solemnly embodied in the Great Compromise—equal representation in the House for equal numbers of people"—would be defeated if a state were "to give some voters a greater voice in choosing a Congressman than others."

Wesberry v. Sanders does not, of course, mandate absolute equality of congressional districts throughout the country: the Constitution itself, Article I, assures every state, however small, of one congressman. But it is apparent that counting large numbers of illegal aliens violates the principle of *Wesberry v. Sanders.* In districts where there are large numbers of such persons, the vote of those voting in the district counts more than the vote of those voting in districts of identical population where there are more persons voting. To take extreme examples:

District A: Population 400,000; 200,000 voters, 100,000 undocumented aliens.

District B: Population 400,000; 300,000 voters, no undocumented aliens.

In District A, 101,000 votes are a majority sufficient to elect a Congressman; in District B, 151,000 votes are necessary. A vote in District A is worth more than a vote in District B. There is dilution of the votes in District B and discrimination against the citizens of District B.

Why has this discrimination not existed where other voteless groups have been counted? The answer is clear. There was no reason to think in 1787 that there would be an unequal distribution of women, or of children, or of convicts or of aliens. In the two cases where it was foreseen that the distribution of the voteless would not be random, explicit provision was made for their exclusion (the untaxed Indians) or for being counted at three-fifths (the slaves). What is new today is the presence of large groups of undocumented aliens not randomly distributed but concentrated in certain congressional districts. It is true when the Fourteenth Amendment was adopted, the distribution of voteless women and voteless aliens was unequal—of women because of the male migration westwards, and of aliens because of the substantial immigration from Europe to the Northeast, (Joseph B. James, *The Framing of the Fourteenth Amendment,* Urbana: University of Illinois Press, 1956, pp. 23 and 185.) Consequently Senator Henry Wilson of Massachusetts and Representative Roscoe Conkling of New York opposed basing representation on the number of voters, *Congressional Globe,* 39th Cong. 1st Sess. 359 and 1256. But this intention to make the right to vote more valuable in one part of the country than another cannot be accorded recognition today. Since *Wesberry v. Sanders,* it has been clear that the controlling text of the Constitution is Article I, section 2, clause 1: The House of Representatives shall be chosen "by the People." In the light of that command and its interpretation in *Wesberry* it is unconstitutional to constitute congressional districts which unequally represent "the People."

The People, who have a right established by Article I, section 2, to elect the House of Representatives, are clearly the citizens, not aliens who have entered the country against the law. It is the member of the political community, self-defined to exclude aliens, that are represented in the political process. It destroys the basic constitutional norm established by *Wesberry v. Sanders* when voters in districts characterized by large numbers of illegal aliens have "a greater voice in choosing a Congressman" than voters in districts where there are few such persons. The "shadow population" pointed to by *Plyler v. Doe, supra,* then functions to swell the value of votes in their district; and this, according to *Wesberry v. Sanders,* the Constitution forbids.

As Chief Justice Warren put it in *Reynolds v. Sims* 377 U.S. 533, 567 (1964), the case requiring redistributing of state legislative districts:

To the extent that a citizen's right to vote is debased, he is that much less of a citizen.

To create unequal election districts is one way to debase a citizen's vote. To create election districts unequally swelled by shadow populations, illegally in the country, is another way to debase the value of a citizen's vote.

Such a situation threatens the republican form of government guaranteed by Article IV. As *Reynolds v. Sims* at 573 quotes Thomas Jefferson: A "government is republican in proportion as every member composing it has equal voice in its concerns . . . by representatives chosen by himself." A government where those who are by definition nonmembers determine the number of representatives subverts the republican form. The "members" do not have equal voice. As in *Animal Farm,* some members are "more equal than others"—those who come from the districts where a vote is worth more.

Congress has power to correct this situation. Applying the rule of *Reynolds v. Sims* that electoral districts for a State legislature be equal, the Court pointed out that the States are *not* required "to include aliens, transients, short-term or temporary residents," *Burns v. Richardson* 384 U.S. 73 (1966) at 92 (Brennan, J., upholding districting by Hawaii that did not count military transients in achieving equality of voting districts). Analogously, Congress, exercising its powers under Article I and the Fourteenth Amendment, may determine that illegal aliens not be counted.

Conclusion

The argument that the Constitution textually requires the enumeration of every person is superficially appealing, but unpersuasive on examination of the ambiguity of "Persons." The statements of the Supreme Court on the rights of aliens under the Fourteenth Amendment relate to section 1 rights and do not govern section 2. The Supreme Court itself has recognized the right of Congress to discriminate between types of aliens. No case has denied Congress the right of exercising its multiple powers under the Constitution to direct that aliens unlawfully within the country not be numbered in "the actual Enumeration." On the contrary, the principles laid down by the Supreme Court in *Reynolds v. Sims* and *Wesberry v. Sanders* require that such aliens, when they exist in large numbers, not be counted in determining congressional districts. The claim that representation should reflect population needs is appealing but overridden by the Constitution's direction that the participants in the political process—the citizens of the country—be equal in their votes. At the very least Congress has the power under both Article I and the Fourteenth Amendment to direct that such aliens not be counted.

Mr. KENNEDY. Madam President, I will not delay the discussion much more. I would like to ask unanimous consent to print in the RECORD portions of the Congressional Research Service report, which supports our position, but I just mention briefly:

Under Article I, section 2, clause 3, as amended by section 2 of the Fourteenth Amendment, the House of Representatives is to be apportioned among the States based on the "whole number of persons." At issue is whether that term means that all inhabitants, including illegal aliens, should be counted. An examination of the usage of the term "person" at the time of the adoption of the apportionment provision by the Constitutional Convention and its ratification, and at the time of the adoption and ratification of section 2 of the Fourteenth Amendment, would seem to indicate that aliens are to be included within the term "person." [8] In the records of the Constitutional Convention of 1787, reference is made to the phrase "whole number of free citizens and inhabitants," [9] which number was to be the basis of the apportionment of the Congress and which was to be taken by a census within 3 years after the first meeting of the Congress and every ten years thereafter. The usage of the phrase "free citizens and inhabitants" would seem to indicate that authors of the Constitution concluded that the census should count not only free citizens but also any free inhabitants who were not citizens and arguably might have been aliens. This phrase was adopted by the Convention and referred to the Committee on Style. The Committee on Style substituted the word "persons" for the longer phrase," free citizens and inhabitants." This substitution was passed by the Committee on Style without comment or debate and was then made part of the Constitution

[8] C.E. Turney, Legislative Counsel of the Senate, "Power of Congress to Exclude Aliens from Enumeration for Purposes of Apportionment of Representatives," 71 Cong. Rec. 1821 (1929).

[9] M. Farrand, The Record of the Federal Convention of 1787, V. II, pp. 571, 590.

without further debate or controversy.[10] It is plausible then that the Framers intended that the term "persons" have the same meaning as "free citizens and inhabitants." Given this intent, the term "persons" could thus be construed to include noncitizens and aliens.

Finally, Madam President, I think that perhaps the person who had more to do with both the drafting and the shaping of the Constitution was James Madison, and in the Federalist Papers, No. 54, according to James Madison, the apportionment was to be "founded on the aggregate number of inhabitants." James Madison. "Founded on the aggregate number of inhabitants."

If that does not raise reasonable concerns about the constitutionality on this particular legislation, I do not know what possibly could.

Madam President, I am prepared to yield back the remainder of my time if the Senator is.

Mr. LOTT. Mr. President, with the bicentennial of the U.S. census less than 1 year away, I believe this legislation is of vital importance.

Simply stated the bill directs the Secretary of Commerce to make adjustments in total population figures as may be necessary, using such methods and procedures as the Secretary determines appropriate, in order that aliens in the United States in violation of the immigration laws shall not be counted in tabulating population for purposes of reapportionment.

In 1980, the Census Bureau reported an estimated 2.57 million illegal aliens. A number that was included in the reapportionment of the House of Representatives. Had these nondocumented aliens been excluded, the make up of our congressional delegations would be more representative of the population of American citizens.

In article IV, section 4 of the Constitution mandates that the U.S. Government "guarantee to every State in this Union a republican form of government."

By allowing the inclusion of nondocumented aliens, we are creating congressional districts that are represented by varying numbers of citizens. Clearly this does not guarantee a republican form of government for all of our States.

Being an American citizen carries with it certain responsibilities and privileges. Among those privileges are the rights to vote and hold public office. Illegal aliens can do neither. And yet, by their inclusion in reapportionment, we are allowing them to alter the very make up of our government. Congress in this altered state does not truly reflect the citizens of this Nation.

[10] C.E. Turney, *supra* note 8, 71 Cong. Rec. at 1822.

Should current policy remain unchanged in 1990, States such as Pennsylvania, Connecticut, Michigan, North Carolina, and Alabama could lose congressional seats. We cannot allow non-Americans to dilute the rights of some voting citizens while increasing the voting power of others.

Therefore, I urge my Senate colleagues to support this amendment in hopes that we can create a Congress that is a true reflection of the citizens of the United States.

Mr. SHELBY. The Senator from Massachusetts has stated he will yield back the remainder of his time. I am prepared to do that so we can move on.

Mr. KENNEDY. I yield back the remainder of my time.

Mr. SHELBY. I yield back the remainder of my time.

Mr. BENTSEN. Madam President, if all time has been yielded back, I move to table the amendment.

Mr. KENNEDY. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Hawaii [Mr. MATSUNAGA] is absent because of illness.

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

The result was announced—yeas 41, nays 58, as follows:

[Rollcall Vote No. 114 Leg.]

YEAS—41

Adams	Glenn	Mack
Bentsen	Gore	McCain
Biden	Graham	Mikulski
Bingaman	Gramm	Mitchell
Boren	Hatfield	Moynihan
Bradley	Inouye	Pell
Bumpers	Johnston	Riegle
Cranston	Kennedy	Rudman
D'Amato	Kerrey	Sarbanes
Daschle	Kerry	Sasser
DeConcini	Kohl	Simon
Dixon	Lautenberg	Wilson
Dodd	Leahy	Wirth
Domenici	Lieberman	

NAYS—58

Armstrong	Garn	Nickles
Baucus	Gorton	Nunn
Bond	Grassley	Packwood
Boschwitz	Harkin	Pressler
Breaux	Hatch	Pryor
Bryan	Heflin	Reid
Burdick	Heinz	Robb
Burns	Helms	Rockefeller
Byrd	Hollings	Roth
Chafee	Humphrey	Sanford
Coats	Jeffords	Shelby
Cochran	Kassebaum	Simpson
Cohen	Kasten	Specter
Conrad	Levin	Stevens
Danforth	Lott	Symms
Dole	Lugar	Thurmond
Durenberger	McClure	Wallop
Exon	McConnell	Warner
Ford	Metzenbaum	
Fowler	Murkowski	

NOT VOTING—1

Matsunaga

So the motion to lay on the table amendment No. 255 was rejected.

Mr. SHELBY. Mr. President, I move to reconsider the vote by which the motion to table was rejected.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senators will please clear the well and take their conversations to the cloakroom. The Senate will suspend until the Senate is in order.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. BUMPERS. Mr. President, the Senate is not in order. There are three times more Senators standing than sitting. May we have order so that we can hear the Senator?

The PRESIDING OFFICER. The Senate will please be in order. The Senators will please take their conversations to the cloakroom.

The Senator from New York was recognized on the point of order.

Mr. MOYNIHAN. Mr. President, I make the point of order that the amendment just adopted is not constitutional. The census is an enumeration of persons not citizens. It has been that way since 1790. The census has never concerned citizenship. In that circumstance, it appears to me that this amendment is not constitutional, and it ought to be rejected on that basis.

The PRESIDING OFFICER. The Senate will suspend for one moment. Under the rules of the Senate, a constitutional point of order may not be ruled upon by the Chair, but must be submitted to the Senate for its decision.

Ordinarily, such a point of order, when submitted, is debatable, but since debate on this amendment has concluded, the issue may be resolved and should be resolved without debate.

Mr. MOYNIHAN. Mr. President, may I ask unanimous consent that there might be 10 minutes on each side?

The PRESIDING OFFICER. There is a request for unanimous consent. Is there objection to the request for unanimous consent?

Mr. BUMPERS. Mr. President, reserving the right to object, parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for a point of parliamentary inquiry.

Mr. BUMPERS. Is this a motion to table this amendment?

The PRESIDING OFFICER. The Senator from Arkansas is correct. It was a motion to table.

Mr. BUMPERS. Then the question is, how could debate have been concluded on the amendment? The debate was on the motion to table, not on the amendment.

The PRESIDING OFFICER. Which motion to table is the Senator referring to? The motion to table on which we voted is not in order until debate on the underlying motion is concluded.

Mr. BUMPERS. Will the Chair restate that?

The PRESIDING OFFICER. The motion to table the amendment on which the Senate voted could not be made until all time had expired for debate. That time had expired. The motion to table was then made. So time, by agreement, had expired for debate.

Is there objection to the request from the Senator from New York for 10 minutes equally divided?

Mr. MOYNIHAN. Mr. President, forgive me, the question was what?

The PRESIDING OFFICER. Does the Senator from New York request 10 minutes equally divided or 20 minutes equally divided?

Mr. MOYNIHAN. Twenty minutes.

The PRESIDING OFFICER. Is there objection?

Mr. BUMPERS. Is the Senator from New York willing to share a little of that 10 minutes?

Mr. MOYNIHAN. Most assuredly.

The PRESIDING OFFICER. Hearing no objection, there will be debate of 20 minutes, 10 minutes to each side.

The Senator from New York is recognized.

Mr. MOYNIHAN. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 2 minutes.

Mr. MOYNIHAN. May we have order, Mr. President?

The PRESIDING OFFICER. The Senate will be in order. The Senator will not proceed until the Senate is in order.

The Senator from New York is recognized.

Mr. MOYNIHAN. Mr. President, this is a solemn decision we make. To do as we evidently had in mind doing would be directly violative of the 14th amendment of the Constitution, and by antecedence, the original text of article I of the Constitution. Article I refers to the enumeration of free persons. That circumstance or distinction was, of course, abolished by the 14th amendment. Section 1 of the 14th amendment states:

> All persons born or naturalized in the United States, and subject to the jurisdiction thereof, are citizens of the United States.

In section 2 it says:

> Representatives shall be apportioned among the several States according to their respective numbers, counting the whole number of persons in each State.

Now, Mr. President, there can have been no more carefully documented, drafted, deliberated, and adopted amendment in our history than the 14th amendment.

Sir, the 14th amendment speaks of citizens, and then with respect to the apportionment of Members of the House, speaks of persons. Since 1790, the census, the oldest such institution in the world, has counted persons under the understanding that it is its clear responsibility under the Constitution to do that, and nothing else; and how we can proceed in this matter without considering this issue defies my understanding. I have spoken for 2 minutes. The manager of the legislation wishes to speak.

Mr. KENNEDY. I defer, Mr. President, to the Senator from Arkansas.

Mr. BUMPERS. Mr. President, if I may have 2 minutes.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 2 minutes.

Mr. BUMPERS. Mr. President, there is not anyone in this body who does not understand the politics of this amendment. I understand it as well as anyone. I do not want to go home and explain my vote on this any more than anyone else does.

The Senator from New York has made a very cogent and absolutely correct observation. It may have been wrong and maybe they did not know what they were doing when they put this in the Constitution, but that is not for us to decide here. For 200 years we have counted illegal aliens in our census, and you are taking an amendment just in a preemptory way here and changing what has been going on for 200 years.

When I was Governor of my State, every law we passed where we turned State funds to the cities or to the counties was invariably based on population.

How would you like to be mayor of Houston, TX, and all these funds from the State of Texas are going to be dependent on the enumerated census of Houston, TX, and the last census of 1990, and you have anywhere from 10 to 30 percent illegal aliens in your city? You are going to get anywhere from a 10- to a 30-percent cut in all of your street turnback funds, in all of the Federal funds that come back that are based on a population formula, and you are going to find the county judges, the county executives, and the mayors of this country very upset about this amendment.

It is going to be unfair to them, and some of them are not going be able to run their cities.

But completely aside from this, I wish the Founding Fathers had said you will only enumerate "citizens," but they did not. They said "persons," and so that is what it has been for 200 years. We have absolutely no right or authority to change that preemptorily on a majority vote here. The point of the Senator from New York is very well taken, and I intend to support it.

Mr. MOYNIHAN. I thank the distinguished Senator from Arkansas.

The PRESIDING OFFICER. Who yields time?

Mr. MOYNIHAN. I yield 3 minutes to the distinguished manager of the legislation.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, as both the Senator from New York and the Senator from Arkansas have pointed out, in the apportionment provisions of the Constitution of the United States it uses the word "persons." In the 14th amendment, section 1, it talks about "citizens." "Persons" in the apportionment clause; "citizens" in other provisions of the 14th amendment.

The Carter administration's Justice Department and President Reagan's Justice Department recognized that the Constitution bars excluding illegal aliens from the apportionment base. They understood the census procedures which have been followed for 190 years. Those procedures started 3 years after the ratification of the Constitution, and there has been no reference of any Founding Father who took a contrary view, none. To the contrary, we have the one court opinion about this the Fair versus Klutznick opinion in 1980. The Court clearly indicated that the Constitution requires the counting of the whole number of persons for apportionment purposes. That is the one court ruling to date.

If there is any further question, Mr. President, why do we not go back to James Madison who had more to do with the Constitution than anyone else? James Madison in No. 54 of the Federalist Papers said the apportionment was to be founded on "the aggregate number of inhabitants." That was said by a Founding Father.

Mr. President, I would hope that fact, and the other arguments we made, will be sufficient to support the position that this issue is not constitutional.

The PRESIDING OFFICER. Who yields time?

Mr. SHELBY. Mr. President, I yield 5 minutes to the distinguished Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah is recognized for 5 minutes.

Mr. HATCH. Mr. President, this is an ingenious motion, and it is one that has particular interest to anyone who would be interested in the Constitution. Keep in mind when the Constitution was written there were no illegal aliens. Everyone was legal, all with the possible exception of the slaves who

were accorded three-fifths of a person. That was pathetic, and we all understand that, but nevertheless everyone was legal at that particular time.

I think it is constitutionally unsound to argue that everyone, including those who are illegally here, who are not citizens of an already incorporated country, who have no rights to vote in this country, should be counted for the purposes of voting in this country.

There is a real distinction between those who were apportioned at the outset of this country as the Constitution outlines. Everyone was counted at that time. There were no illegal people at that time.

Today, in the amendment of the distinguished Senator from Alabama, we are talking about people who are illegally here. So when they use "persons" they meant legal persons, and at the outset and inception of the Constitution everyone was legal.

Now, there is another constitutional principle that I believe will be found sound, and that is that the Consititution does not presume to support illegality. If the Constitution stands for anything, it stands for legality. It stands for supporting and upholding the laws of which it is the basic document.

What we are talking about here are people who are illegally here who are not legal persons within the definition of citizenship for the purpose of apportionment which would determine whether or not they have a right to vote, who has the right to vote, and for whom they have a right to vote.

So although this is an ingenious constitutional point of order, it is an inappropriate one and in my estimation does not survive good constitutional scrutiny.

There are two reasons: No. 1, these are illegal people who are here illegally who should not be counted as equal citizens because the purpose of apportionment is to determine who can vote where. And No. 2, the Constitution is not going to presume to make legal that which is illegal.

So although it is an ingenious argument and I might add a political one at that, it is not constitutionally sound.

I believe the distinguished Senator from Alabama is doing everyone a favor by bringing his amendment to the floor, and I think that most Senators in the U.S. Senate have recognized the validity of his amendment because the motion to table was defeated overwhelmingly.

Basically, I think that covers the matter and we can talk about it for days, I guess, but those two points are very important points and in my estimation are irrefutable points.

I yield back the remainder of my time to the distinguished Senator from Alabama.

The PRESIDING OFFICER. Who yields time?

Does the Senator from Alabama yield time?

Mr. SHELBY. I yield 2 minutes to the distinguished Senator from Wyoming.

The PRESIDING OFFICER (Mr. BRADLEY). The Senator from Wyoming is recognized for 2 minutes.

Mr. SIMPSON. Mr. President, I fear anything that I would say would be somewhat repetitive, but that is not a touchstone activity here.

As I have listened to the debate about "inhabitants" and "persons," I just say once again that I think we can be certain of one thing—that the Founding Fathers were not aware of the definition of "illegal alien." They were very familiar with the word "slaves" because they counted them as a certain percentage of a person. So if they were doing that to slaves at that time, do you really imagine that they would be counting an illegal undocumented person when they were not even fully counting a slave?

That gives a little idea of what was going on at that time of our history, a time that all of us might reflect on reality and the beginnings of our country, but I just simply believe that there was no concept of illegal alien. It was not there in 1866 when they did further constitutional amending, and it was not there certainly in the beginning.

There is an important school of thought in constitutional interpretation known as "original intent." That school of thought seeks to understand the Constitution based upon the framers' original understanding of the issues. We have that same concept in trust law. "Persons" had a different connotation in 1789 and 1866. I think we should overrule this point of order and let the courts interpret the issue.

I find in my legislating that the constitutional issues are always brought up. But we have a division of government to determine whether we have done it right or done it wrong. Let the judiciary decide.

I respectfully would vote for the amendment of the Senator from Alabama.

Mr. MOYNIHAN. Mr. President, I yield a minute and a half to the distinguished Senator from Texas.

Mr. GRAMM. Mr. President, I thank the distinguished Senator from New York for yielding.

Mr. President, our colleague from Utah makes two points and both of those points are inaccurate. First, he says that apportionment was intended to be based on people who could vote; that when the Founding Fathers were writing, there were no illegal aliens. Mr. President, when the Founding Fathers wrote the Constitution women were not citizens and women could not vote and yet clearly they have always been counted in the census and no one has ever disputed that.

Our colleague from Utah talks about voting and apportionment, but today children cannot vote and yet there is no one here who would argue that children should not be counted in apportionment.

The Founding Fathers clearly recognized the distinction between citizens and persons. In fact, three times in the Constitution the Founding Fathers set requirements for office that were based on citizenship. And yet, despite the fact that they based requirements for office on citizenship, despite the fact that they let the States set requirements for voting on the basis of citizenship, when they came down to apportionment, they set apportionment on the basis of the number of persons.

Mr. President, this is not a gray area. Some are attempting to use the Constitution here as a Senator would use the Bible. Take from it what you like. Leave what you do not like—what is not convenient.

The Constitution is clear and this point of order should be sustained.

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

Who yields time?

Mr. MOYNIHAN. Mr. President, I yield myself 1 minute.

Mr. President, I wish to assert most vigorously what the Senator from Texas has said. When the Constitution speaks of the right to vote, it speaks of citizens. In the 14th amendment, the 15th amendment, the 19th amendment, and the 26th amendment the word "citizen" appears. In article I and amendment 14, section 2, regarding the census, the word "person" appears.

May I say, the issue has arisen: are there regional or State interests involved here? No doubt there are. They inevitably are.

I would like to make the point, regretfully, that if there were a full enumeration of persons everywhere, full enumeration of persons, it is possible the State of New York would lose an additional seat in the 1990 census. This has nothing to with my State. It has to do with the Constitution of the United States. Can we stand here and act as if it is a document we know nothing of? Let the courts deal with it—has there ever been such an abandonment of elementary duty? We take an oath to uphold and defend the Constitution of the United States. That is what is at issue here.

Mr. GRAMM. Against all enemies, foreign and domestic.

Mr. MOYNIHAN. Against all enemies, foreign and domestic. I am not accustomed to thinking there are any domestic enemies, but one sometimes wonders.

The PRESIDING OFFICER. Who yields time?

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

The PRESIDING OFFICER. The Senator from Alabama has 3 minutes and 43 seconds remaining.

Mr. SHELBY. I yield 2 minutes to the distinguished Republican leader.

Mr. DOLE. Mr. President, first of all, this is an interesting amendment. As I read the Constitution, there were about three classifications. First, free persons were counted, but Indians were excluded, Indians not taxed. And then other persons were counted as three-fifths. So the whole persons were never counted by the Founding Fathers.

Then, again, we did not know about illegal aliens, as I understand it, until about 1775. And that was long after the Constitution was adopted and after the 14th amendment.

So, again, I think as a practical matter and as common logic—the Senator from Massachusetts cites the case from the Supreme Court; I have not read that case—it seems to me we ought to have this decided. I have been around this Congress for over 20 years and everytime we have a census this comes up, "No, we are going to study it. We are going to have hearings. We will get to you later."

That is what they promised the Senator from Alabama. We have already had a vote on this. I urge my colleagues—I hope there will be a motion to table the point of order by the Senator from Alabama—that we support the motion, those of us who voted not to table will now support the motion to table.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. MOYNIHAN. Mr. President, the notion that the concept of aliens did not exist in the 18th century would be a surprise to those who went to jail under the Alien and Sedition Acts.

Mr. President, I yield the remainder of my time to the distinguished manager of the legislation.

Mr. KENNEDY. Mr. President, just briefly, there was the use of the words "citizens" and "persons" in the original Constitution. And there was the use of the words "citizens" and "persons" when the 14th amendment was considered in 1866.

The reason for the use of "persons" in the 14th amendment was recognized that using "citizens" would result in a reduction of more than 2 million unnaturalized foreigners from the basis of apportionment. This is the House of Representatives when they adopted the 14th amendment. They use the word "persons" when it came to the question of apportionment.

Thus, it is clear from the congressional consideration of the 14th amendment that the legislators were aware of the broad meaning of the term "persons" when used in the apportionment clause.

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

Mr. SHELBY addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

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

The PRESIDING OFFICER. The Senator from Alabama has 2 minutes and 20 seconds remaining.

Mr. SHELBY. Mr. President, we have been talking this in debate all afternoon. Just a few minutes ago, on the motion to table my amendment, we got 58 "no" votes; in other words, 58 Senators were saying, basically, it is time to consider this issue. And that is what we need to do, because the Supreme Court of the United States has never ruled specifically on this point.

It seems to me there are some people here in the United States who might be concerned about this. But I believe it is a question of legal or illegal and a distortion of the House seats in the U.S. House of Representatives.

Some States should not be able to gather more seats at the expense of others because of a swollen illegal population, illegal aliens, not legal aliens. And that is what it is all about.

We can talk about things being in the Constitution all day. But we have a great opportunity to pass a law here today, put it before the courts, if it goes there, and let the courts decide on it.

The Senate has already been showing what they wanted to do. My time is about up. The other time is gone. I think it is time for us to vote. At the proper time, which is now, I yield back the remainder of my time and move to table the point of order of the Senator from New York, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The question is on agreeing to the motion of the Senator from Alabama [Mr. SHELBY] to table the point of order of the Senator from New York [Mr. MOYNIHAN].

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

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Hawaii [Mr. MATSUNAGA], is absent because of illness.

The result was announced—yeas 56, nays 43, as follows:

[Rollcall Vote No. 115 Leg.]

YEAS—56

Armstrong	Burdick	Cochran
Baucus	Burns	Cohen
Bond	Byrd	Conrad
Boschwitz	Chafee	Danforth
Bryan	Coats	Dole
Durenberger	Jeffords	Reid
Exon	Kassebaum	Robb
Ford	Kasten	Rockefeller
Fowler	Levin	Roth
Garn	Lott	Sanford
Gorton	Lugar	Shelby
Grassley	McClure	Simpson
Harkin	McConnell	Specter
Hatch	Murkowski	Stevens
Heflin	Nickles	Symms
Heinz	Nunn	Thurmond
Helms	Packwood	Wallop
Hollings	Pressler	Warner
Humphrey	Pryor	

NAYS—43

Adams	Glenn	McCain
Bentsen	Gore	Metzenbaum
Biden	Graham	Mikulski
Bingaman	Gramm	Mitchell
Boren	Hatfield	Moynihan
Bradley	Inouye	Pell
Breaux	Johnston	Riegle
Bumpers	Kennedy	Rudman
Cranston	Kerrey	Sarbanes
D'Amato	Kerry	Sasser
Daschle	Kohl	Simon
DeConcini	Lautenberg	Wilson
Dixon	Leahy	Wirth
Dodd	Lieberman	
Domenici	Mack	

NOT VOTING—1

Matsunaga

So the motion to lay on the table the constitutional point of order was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 256 TO AMENDMENT NO. 255

Mr. KENNEDY. Mr. President, I send a second-degree amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. LAUTENBERG). The clerk will report.

The legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY] proposes an amendment numbered 256 to amendment numbered 255.

Mr. KENNEDY. I ask unanimous consent that reading of the amendment be dispensed with.

Mr. HELMS. Object.

The PRESIDING OFFICER. Objection is heard.

The legislative clerk read as follows:

SEC. 2. SEVERABILITY.

In the event that any one or more provisions of this Title is held to be unconstitutional, the same shall not affect the validity of other provisions of this Act.

Mr. KENNEDY. Mr. President, I have had an opportunity to talk to the Senator from Alabama about my amendment. He is willing to accept it. It is boilerplate language to ensure that should the courts find that the provisions of the Shelby amendment are unconstitutional, it will not affect the other provisions of the legislation.

Mr. SHELBY. Will the Senator yield.

Mr. KENNEDY. I will be glad to yield.

Mr. SHELBY. Mr. President, as the Senator from Massachusetts has stated, we have looked at the amendment.

The PRESIDING OFFICER. We must have order in the Senate, please. The Senator is entitled to be heard. All conversation not relative to the discussion should be taken to the Cloakroom.

Mr. SHELBY. Mr. President, as the Senator from Massachusetts stated, we have looked at the amendment, the severability amendment. We agree to it.

Mr. KENNEDY. Mr. President, I am prepared to yield back the remainder of my time on the amendment.

The PRESIDING OFFICER. Does the Senator from Wyoming yield back his time?

Mr. SIMPSON. I yield back the remainder of the time, Mr. President.

The PRESIDING OFFICER. The question then is on agreeing to the amendment of the Senator from Massachusetts.

The amendment (No. 256) was agreed to.

Mr. KENNEDY. I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 255, AS AMENDED

The PRESIDING OFFICER. The question now is on agreeing to the first-degree amendment, as amended.

The amendment (No. 255), as amended, was agreed to.

Mr. SHELBY. I move to reconsider the vote by which the amendment, as amended was agreed to.

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

The motion to lay on the table was agreed to.

Mr. SIMON. Mr. President, as I mentioned earlier, I believe it is important for naturalization proceedings to be performed by judges, rather than by an administrative agency, and I know that Senator DIXON agrees with me. Naturalization is simply too important to be treated as just another bureaucratic proceeding. U.S. citizenship should be conferred by judges whenever possible.

At the same time, there is a danger that requiring all naturalization proceedings to be performed by judges will create an unacceptable delay. In that case, I would prefer immediacy. Under section 202 of this bill I would prefer that the INS provide the alien with the option of an administrative proceeding if a court cannot administer the oath within 90 days.

We believe this approach would both preserve the importance of the naturalization process and prevent unreasonable delay. Senators KENNEDY and SIMPSON, the floor managers of this bill, have agreed with me that making the administrative option available at the end of 90 days is consistent with the intent of this bill. My understanding is that the conferees will make the necessary adjustments in the legislation to achieve this result.

Mr. KENNEDY. Mr. President, for the benefit of the membership, let me say that it appears to me that we have made good progress during the day and it is my tentative judgment there will probably be one more rollcall vote, that being on the amendment of the Senator from Minnesota. Other amendments have been either worked out or are very close to being worked out and, after disposing of them, we would move toward final passage.

So we have made good progress. We are glad to inform Members about the progress we have made. And that appears to be the current situation. We look forward to hearing from any of our members about the bill.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. As long as we are on noncontroversial areas, I have three amendments that can I offer at this point. I guess I will ask for them to be considered en bloc after they have been read by the clerk.

Mr. President, I am going to yield to Senator BOSCHWITZ for his amendment and then we will go to mine.

The PRESIDING OFFICER. Who seeks recognition?

AMENDMENT NO. 257

(Purpose: To treat Hong Kong as a separate foreign state for purposes of applying the numerical limitations on immigration)

Mr. SIMON. Mr. President, I understand that Senator BOSCHWITZ is not quite ready to offer his amendment. I have three amendments to submit for consideration. One is already at the desk. It is the Hong Kong amendment.

The PRESIDING OFFICER. The clerk will report the first amendment.

The legislative clerk read as follows:

The Senator from Illinois [Mr. SIMON] for himself, Mr. DIXON, Mr. KOHL, Mr. CRANSTON, Mr. GORTON, and Mr. HUMPHREY, proposes an amendment numbered 257.

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

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

The amendment is as follows:

SEC. . TREATMENT OF HONG KONG AS A SEPARATE FOREIGN STATE FOR NUMERICAL LIMITATIONS.

The approval referred to in the first sentence of section 202(b) of the Immigration and Nationality Act shall be considered to have been granted, effective beginning with fiscal year 1990, with respect to Hong Kong as a separate foreign state, and not as a colony or other component or dependent area of another foreign state, and section 202(c) of such Act shall not apply to Hong Kong, except that the total number of immigrant visas made available to natives of Hong Kong in any fiscal year may not exceed 3.5 percent of the total number of visas made available under section 202(a) in that fiscal year.

AMENDMENT NO. 258

Mr. SIMON. Mr. President, I ask unanimous consent that the other two amendments also be read at this point and that they be considered en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears none and it is so ordered.

The legislative clerk read as follows:

The Senator from Illinois [Mr. SIMON] proposes an amendment numbered 258.

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

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

The amendment is as follows:

On page 95, add at the end of line 9: "10,000 of such visas shall be reserved for qualified immigrants who are natives of foreign states the immigration of whose natives to the United States was adversely affected by the enactment of Public Law 89-236.".

AMENDMENT NO. 259

(Purpose: To provide additional grounds for qualifying as a selected immigrant)

The PRESIDING OFFICER. The clerk will read the third amendment.

The legislative clerk read as follows:

The Senator from Illinois [Mr. SIMON] proposes an amendment numbered 259.

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

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

The amendment is as follows:

At the appropriate place, insert:

"(vi) PREARRANGED EMPLOYMENT IN THE UNITED STATES (15 POINTS).—For an alien who (as of the date of filing a petition) has an arrangement (meeting conditions specified by the Secretary of Labor) for the employment of the alien, 15 points.

Mr. SIMON. Mr. President, these amendments do basically three things. On the first one, the Hong Kong amendment, let me add that my colleague, Senator DIXON, Senator KOHL, Senator CRANSTON, Senator GORTON, and Senator HUMPHREY are cosponsors of it. It would increase the quota for Hong Kong from the 5,000 to half of that of a country or a little better than 10,000. I do not think I need to explain what the situation is in Hong Kong.

The second one adds points in the point system for those who have jobs guaranteed in this country.

The third is one that sets aside 10,000 of the 55,000 for those who are disadvantaged in other ways on the basis of the countries that are disadvantaged by the other patterns. It has been cleared by Senator KENNEDY and Senator SIMPSON. I have no objection to these amendments.

The PRESIDING OFFICER. Is there further debate?

Mr. KENNEDY. Mr. President, just to take a moment, we have had an opportunity to talk at length, the Senator from Utah and myself, and we support the proposals. I think the exigencies we have seen in terms of China should encourage us to make a modest adjustment and we make a modest adjustment, particularly given the backlog there. It does not recognize it at the level of a nation or a country but it does provide some honest adjustment; also, an emphasis and stress for those individuals who have jobs.

Having that recognized is certainly important because we do not want to threaten the loss of jobs for American workers, so it gives emphasis and stress on that. And then a very small and limited prioritizing for the 43 countries which have been effectively disadvantaged from the previous immigration legislation seems to me to be justified. These are very modest, but I think they are useful and make the whole bill a fairer and a more equitable bill, and I certainly support the amendments.

The PRESIDING OFFICER. Is there further debate?

Mr. SIMPSON. Mr. President, I concur in the acceptance of these amendments. We are prepared to accept them. One of the important things is a recognition of adversely affected countries and I think it is so critical that we continue to do that. I certainly concur with my fellow manager of the bill.

Mr. SYMMS. Mr. President, today I wanted to offer an amendment which would increase the annual United States quota of Hong Kong immigrants from 5,000 to 50,000. This amendment is precisely the same as a bill recently offered by Representative JOHN PORTER in the House. Mr. President, I believe this amendment is necessary because of the growing unrest in China which threaten the rights and freedom for the people of Hong Kong.

The recent violence in China by the government against unarmed citizens was an ugly response to cries of protests for democracy. When the Communist leaders crushed the democratic aspirations of the Chinese people for free expression and human rights in Tiananmen Square, they did more than murder their own people. They sent a message to the world how it is to live under totalitarian communism.

Mr. President, those actions are a horrible reminder to the people of the world on the workings of communism. This was a message heard most strongly not in the United States or Western Europe or elsewhere around the world. Rather, it was a message heard loudly in Hong Kong. The recent actions by the Chinese Government against their own people raises many serious questions. How willing are they going to be to fulfill the promises of freedom and autonomy for Hong Kong citizens as contained in the Sino-British Joint Declaration?

Many Hong Kong residents are extremely worried about the 1997 Chinese Government takeover. The territory's post-1997 constitution is being drafted right now and will be finalized in the next 2 years. The present version provides little hope for optimism. Under the current draft, the chief executive and legislative counsel will not be directly elected until at least 2011, and then only if the sitting chief executive, who will be favorable to Beijing, concurs. In addition, the provisions of two international covenants on human rights apparently will be left out of Hong Kong's Constitution. When Li Peng and Deng Xiaoping turned tanks and guns against their own people, they did irreparable harm to Hong Kong. The Beijing massacre laid bare all the guarantees given to Hong Kong by the Chinese Government. Confidence in the future of Hong Kong is at an all-time low. In light of the recent developments in China, it is essential that Congress fully debate this issue and stand firmly in support for human rights and democracy in Hong Kong.

In just 8 years, Hong Kong's 5½ million citizens will come under the control of the People's Republic of China. This year alone the prospect of Chinese interference is expected to result in the departure of over 45,000 Hong Kong residents.

A total of 3.4 million of Hong Kong's nationals were born in Hong Kong, and yet they cannot go to Great Britain. The British Government, which now administers the territory, refuses to offer immigrant status to more than a few thousand people. The passage of this amendment, Mr. President, would insure that the people of Hong Kong will have not only the right but the ability to leave. More than 46,000 Hong Kong residents are now on the waiting list for United States visas. At the current rate they are being processed some of these citizens would not receive visas until after the Chinese Communist takeover in 1997. Hopefully, of course, the citizens of Hong Kong will be able to stay. But if they must leave, the United States should welcome them.

Hong Kong is an economic miracle, and an example of the work of capitalism like none other on Earth. The per capita earning rate is 29 times greater than that of the People's Republic of China. The people of Hong Kong are people of talent and great entrepreneurial skill. They understand, as perhaps no other nation can, the difference between totalitarianism and freedom. Many of them are, in fact, refugees from mainland China. They are, in sum, the very kind of people we need in the United States. We ought to increase our quota for people from Hong Kong to provide insurance for them against the murderous tyranny of communism. We should welcome these people with open arms, since they will add immeasurably to American society and to our own beliefs in the rule of law, human freedom, and democracy.

The PRESIDING OFFICER. Without objection, the three amendments (Nos. 257, 258, and 259), are agreed to en bloc.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 260

(Purpose: To increase the number of immigrant admissions and to reallocate the visa preferences for family reunification immigrants)

Mr. BOSCHWITZ. Mr. President, I am going to move very quickly through this amendment because I understand that the distinguished senior Senator from Massachusetts needs to catch a plane. We really have discussed this bill at some length, so I think Senators have become more familiar during the course of this debate with the various elements of the bill and the various preferences and what they all mean.

This amendment would increase the level of the fifth preference.

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

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Minnesota [Mr. BOSCHWITZ] proposes an amendment numbered 260.

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

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

The amendment is as follows:

On page 77, line 15, strike out "480,000" and insert in lieu thereof "520,000".

On page 90, line 18, strike out "9" and insert in lieu thereof "7.8".

On page 91, line 16, strike out "57" and insert in lieu thereof "49.4".

On page 91, line 23, strike out "9" and insert in lieu thereof "7.8".

On page 92, line 5, strike out "25" and insert in lieu thereof "35".

Mr. BOSCHWITZ. Mr. President, this amendment would expand the fifth preference from approximately 65,000 to 105,000, an increase of 40,000. The fifth preference, of course, is brothers and sisters of American citizens. There are now, as you see on this chart, approximately 1.5 million people waiting to come in under the fifth preference. Under S. 358, 65,000 brothers and sisters a year can come

in. This means that the backlog will continue to grow.

My amendment is a modest attempt to hasten the reunion of American citizens with their brothers and sisters abroad. Regretfully, the amendment would not even take care of all the backlogs.

This fifth preference really is at the essence of our democracy. Most of my colleagues and most Americans came to this country and went to where they had a brother there or a cousin there.

The Senator from New Mexico told me that his family went to New Mexico because they had a cousin who had preceded them from Italy who went there.

So it is part of our heritage—as a nation of immigrants—that by and large we went where our relatives were. And the entire immigration history of the United States is a history of brothers and sisters working hard, accumulating some money, and then sending for their kinfolk.

That is the way it should continue. That is the strength on which our country has been built.

I ask that there just be a modest increase in the fifth preference in which there is a backlog of nearly 1.5 million people. The 65,000 level for fifth preference under the Kennedy-Simpson bill is roughly the same as it was under existing law. So while Senators KENNEDY and SIMPSON have increased the number of visas and shortened the backlog in other preferences, really nothing has been done for brothers and sisters.

I am not a second or third generation American. As a matter of fact, Mr. President, I am the only immigrant in the Senate at the present time. As the distinguished Senator from Wyoming pointed out, I am the only Senator who cannot run for President. As I survey the body, I sometimes think I am the only Senator who is presently not seeking that position.

But I do want to increase the fifth preference by a modest 40,000. I urge the adoption of the amendment.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Massachusetts has 20 minutes.

Mr. KENNEDY. Mr. President, I yield such time as I might use.

Mr. President, there is obvious appeal for the amendment of the Senator from Minnesota. As he correctly pointed out, we have dealt with increasing the total numbers by some 22 percent with the greatest emphasis and stress on the family reunification of closer members of the family. The fifth preference at the present time has at least an 18-year wait even after the time you get the approval of your application.

The issue is if we are going to address fifth preference, we ought to define it in a way that might actually bring an end to the backlog. Without doing that, for every individual who enters in this category, there are going to be extended families entering also, each member of which uses a visa. So there is very little indication that even if we accept the amendment of the Senator from Minnesota we are going to deal with the problem of backlogs. There will be other members of the extended family that might be able to gain entrance under this amendment, but we are still not dealing with the backlog. We should emphasize and stress closer relatives and members of the family, and address their visa needs before moving to expand numbers.

To emphasize closer family is probably the best visa reform. But that was not an issue in which we could develop the common position in the Judiciary Committee. For that reason, there is reluctance at least on my part to see changes in the fifth preference for fear of upsetting the balance struck in committee.

I too want to join with the Senator from Wyoming in his remarks earlier that all of us who have been involved in the issues of refugees over the years have always benefited from the interventions that are made by the Senator from Minnesota. This has been an area of particular interest and concern for him. I want again to thank him for his constant attention to these issues. So it is with reluctance that I recommend that the Senate not accept his amendment.

I yield such time as the Senator from Wyoming needs.

Mr. BOSCHWITZ. Mr. President, I yield 2 minutes to the Senator from Texas.

Mr. GRAMM. Mr. President, I rise in strong support of the amendment of our distinguished colleague from Minnesota.

Mr. President, those of us who know our distinguished colleague know that he is in this country and in fact is a Member of the U.S. Senate because of the diligence of his father who was born in an area that, prior to the war was Germany, but which subsequently became Poland. So in seeking to come into the country, his father went all over Europe trying to find someone who would accept him as a German instead of a Pole because the Polish quota was always filled.

I rejoice at the fact that he found such an embassy, and as a result, not only did his father come to America and become successful, but RUDY BOSCHWITZ became a Member of the U.S. Senate.

Mr. President, how many of these people under this amendment would be allowed to come to America and might become Members of the Senate? How many of their children might win Nobel prizes? How many of their children might even aspire to become President of the United States?

I do not know anything more American than one child working, coming to America, being successful, and then bringing his brothers and sisters to the country. We can look at the numbers that our colleague pointed out to see that there are over 1 million people waiting to come. They are waiting to come because their siblings have been successful here. They are not going to be a burden on society. They already have a sibling here who is successful that is sponsoring them.

Mr. President, with all these people waiting, with a million people a year coming into the country illegally, is there not room in America for a few more people that are willing to put their shoulder to the wheel. A few more people that are willing to pull the wagon, work, pay the taxes, defend the country and provide the physical and mental energy that will move our country forward?

America is not a great Nation because the most talented people in the world came to live here. America is a great Nation because we have achieved extraordinary results from plain old ordinary people that have been inspired and activated and energized by freedom. I think it is vitally important that we let people who have come to America, who have been successful, bring their brothers and sisters here.

I support this amendment very strongly.

The PRESIDING OFFICER. Who yields time?

Mr. SIMPSON. Mr. President, I think, in remarks yesterday about my friend from Minnesota——

The PRESIDING OFFICER. The Senator is recognized on the manager's time. Is that correct?

Mr. SIMPSON. That is correct.

Mr. President, I made my remarks yesterday about my friend from Minnesota, his deep passion. His interest is so total and so much of a personal commitment, that none of us could match it, because he has personal experiences as a refugee in this country at the age of 5. The comments of my friend from Texas, Senator GRAMM, are also things that are real when we talk about human beings, advancement, success, all of those things. That is something that is the most important part of the debate. It is an important part of the lives of those people most affected.

Let me tell you why it is not a hardhearted approach. That is not my style. This amendment, and all of the other amendments, would increase the number of visas in the fifth preference. I am resisting that, and I am not doing that because I am antiimmigrant or antifamily or antianything else that smells of mom and the flag and apple pie. That is what happens in

this debate all the time. Instead, I believe it is darned well time for our Government to face the unfortunate but ridiculously cold reality that there are many more people who want to come here than there is room or intent to accommodate.

Now, you are going to watch some other things that will come up in the next months. You are going to watch the Soviet Union completely unleash their people, and then what will the American people feel? Of course that is refugees, and that is a different matter, but some of them will be immigrants. When President Carter went to China and said, "Let your people go," they said, "How many do you want?" And then there was nothing more during the Carter administration that we heard on that issue. There is just as much obligation in the national sovereignty in letting your people go as there is in determining how many you bring in.

That is not racist, not evil, not cruel. It is a cold, hard reality. We will have to decide how many we want to accommodate. Apparently, there is quite a group among us that want, in some sense maybe unlimited immigration. I do not know that that would fly on an up and down vote, but I think that proposal is here. There is right now a backlog of 1.4 million applicants for the present allocation of 65,000 fifth preference visas.

Now, that is reality, cold, hard reality—a backlog of 1.4 million applicants for these 65,000 fifth preference spots. The State Department seems to believe that number is fairly solid. I have questions about that. I think a lot of them are already here, and since State did the list, I think some of them have died and disappeared; that is my view. Whatever it is, it is a tremendous backlog, and it is all human beings. It would be very difficult to significantly address this backlog without coming up with an overall level of immigration which I do not think most Americans would accept. I imagine most Members of Congress would not find it supportable.

In addition, because of the chain migration effect that the fifth preference causes through its recognition of married brothers and sisters and their families, if we raise the number of fifth preference immigrants, we will only concurrently raise the number of fifth preference applicants. That is what happens in this chain. You bring your brother; the brother then starts the chain, and that is the way it goes. Two-thirds of those people in that number are brothers-in-law and sisters-in-law and nieces and nephews, and eventually, under this scenario of this amendment, or the status quo, if this bill fails, you are going to see the continual squeeze, where these people crowd out the reunion of families who are spouses and children. I think that is irresponsible.

It is going to crowd out the closer family members, and spouses and children in the second preference will still be waiting right there in line, very patiently, some not patiently. Many came illegally, and I hope we picked them up when we did this gracious act of amnesty or legalization. But that is what most are going to do, wait in line patiently.

Let me state clearly once again, as clearly as I can, I believe that the most antifamily policy I can possibly imagine is current law, where we keep the closer relatives like spouses and children waiting while more distant relatives like siblings and in-laws are given the visas. That is no sense. This amendment not only perpetuates that antifamily aspect of current law, it encourages it. It is hard to believe how you could encourage it any more. Whether brothers or sisters are increased by 40,000 or 30,000 or 20,000 a year, we are still in this ridiculous situation, skewing our family immigration policy. The only question, I guess, is to what extent you want to skew it.

Whatever happened to family-based, nuclear family immigration? Slowly it will go down the tubes as family reunification seeps out into the area of nieces and nephews and brothers-in-law and sisters-in-law, which eat up the numbers. You cannot help but some day eat up the numbers, whatever we do in this activity. And then you will find spouses and children standing in line so that we can fill the slots with nieces and nephews and other derivative relatives. That is where we are.

I do not think that is right. More than that, I think it is not fair. Boy, I can tell you, since we last visited this bill a year ago, the special interest groups have been hard at it. I have never seen such activity. And meanwhile, the rest of the American public is just sitting there blinking like a frog in a hailstorm saying: "What is happening?" They will figure it out one day, because the system will have been overwhelmed by two things: By 85 percent of people in family reunification coming from two sections of the world, and meanwhile, other countries are adversely affected. That is what will happen.

Meanwhile, we will admit relatives not part of a nuclear family, as we define it in the United States. It is not defined that way in Asian communities or some other communities, but it is here.

I fully realize the peril of this type of discussion, because it will always come back that you must be racist, you must be bigoted, you must be hardhearted; and that is not me. But I am a realist, and I try to be as honest as I can in dealing with this grotesque issue.

Unless the American people sort it out themselves through us, then you are going to find things that will come up where you are just going to stare at your colleagues in 4 or 5 years and say—what did we do, what happened, how did that get tilted that way, how did it get so ruptured and inappropriate?

I am ready to stick around. I must be crazy. I will stick around and try to make it work, whether it is illegal immigration, legal immigration, refugees, asylees; whether it is extended voluntary departure or Soviet Jews; or whether it is exclusions, or people not allowed to come here to our country because of sickness or AIDS. I am ready to work on all that stuff. But for heaven's sake, come in and cast a vote now that has something to do with reality.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. I yield 3 minutes to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, my colleagues, I have great respect for the Senator from Massachusetts, and as my colleagues, Senator SIMPSON and Senator KENNEDY can tell you, I have been championing the fifth preference; and Senator SIMPSON agreed to this compromise that included the fifth preference, the numbers that we have, only very reluctantly.

If you take a look at the original Kennedy-Simpson bill, you do not see any kind of fifth preference numbers like we have at the present time.

We did reach an accord, an agreement on the cap and on a variety of other things, and I think that agreement is sound, and I am going to support it.

There is another reason why I think it is unwise to move as the Senator from Minnesota has suggested.

There is a statement that Shakespeare makes about the best being the enemy of the good. We can pile up in this area of immigration to the point where there will be an adverse public reaction.

I say to the Senator from Minnesota I may not have been in public office when we had 100,000 to 200,000 Cubans coming into this country all of a sudden. There was a very adverse reaction. Now those people are great American citizens today and we are richer because they are here.

But there will come a time when the public is going to react negatively to immigration. This morning's New York Times carries a story about potential large numbers of immigrants from the Soviet Union that I have an interest in, I know Senator BOSCHWITZ has an interest in, and the Presiding Officer, Senator LAUTENBERG, has shown great leadership on.

I do not want to reach that saturation point so that Members of the House and Senate are going to say "Sorry, no more immigrants into this country."

I think there is a danger that we are going to be moving in that direction.

I also think we have to be careful how we load this thing down. If this bill were to be presented to the President as it is right now, my guess is, and I certainly have no insight into what the President is thinking, but my guess is that it would be vetoed by the President. I think among other things the amendment we adopted on the census is just going to cause chaos in the census. I hope the conference committee will get rid of that particular amendment.

I think we would be wise here to follow the more prudent course.

The PRESIDING OFFICER. The Senator has spoken for 3 minutes.

Mr. SIMON. May I have one additional minute here?

Mr. KENNEDY. I yield an additional minute.

The PRESIDING OFFICER. The Senator is recognized for an additional minute.

Mr. SIMON. I think we would be wise to follow the prudent course.

My heart is on the side of what Senator BOSCHWITZ is doing. I happen to think immigrants are a great asset.

I had an informal conversation with Senator SYMMS just a few minutes ago, and we talked about what great assets immigrants are and how hard-working they are.

But there is a saturation point with the American public, and I think we have to be prudent as we move ahead, and I think prudence dictates that we would be better off not accepting this particular amendment.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. BOSCHWITZ. Mr. President, I certainly do agree with my friend from Illinois, that immigrants are great assets to the United States.

In fact, USA Today recently reported that in the State of Massachusetts, 13 out of 17 high school valedictorians were immigrants, not immigrants from one region, but immigrants from Central America, immigrants from the Caribbean, immigrants from Asia, and immigrants from all over the world.

As to reaching a saturation point with an additional 40,000 visas, I say to the Senator my amendment would still leave total immigration at about one-quarter of 1 percent of the American population. Certainly that is not reaching any kind of saturation point.

I still respectfully disagree with my friend from Wyoming about whether or not we are somehow making it more difficult for the nuclear family of American citizens to come in. The nuclear family, parents, spouses, and minor children now come in—under the old immigration law, and under this bill—without limit.

So there is not going to be an assault on the nuclear family. But this amendment recognizes that a 1½ million people are waiting for fifth preference visas. That fifth preference has grown very rapidly in recent years so we must act positively to reduce the backlog.

I think that we indeed can add 40,000 new visas to this immigration bill.

The Senator from Illinois talks about a compromise. I would point out to him that the Kennedy-Simpson bill proposes 65,000 visas for fifth preference. Under current law the level is 64,800. So it only went up by 200. That is not a very fair compromise.

So I respectfully urge my colleagues to adopt the Boschwitz amendment. I yield the remainder of my time.

Mr. SIMON. Mr. President, will my colleague from Minnesota yield for 1 minute? I would just point out that while the fifth preference numbers are pretty much as they are currently, the original bill called for a very substantial decline in fifth preference numbers.

Mr. BOSCHWITZ. I thank the Senator.

Mr. KENNEDY. Does the Senator want a rollcall vote?

Mr. BOSCHWITZ. Does the Senator yield back the remainder of his time?

Mr. KENNEDY. Yes, I yield back the time.

Mr. BOSCHWITZ. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Minnesota.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Hawaii [Mr. MATSUNAGA] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Vermont [Mr. JEFFORDS] is necessarily absent.

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

The result was announced—yeas 46, nays 52, as follows:

[Rollcall Vote No. 116 Leg.]

YEAS—46

Adams	Daschle	Heinz
Armstrong	DeConcini	Inouye
Biden	Dixon	Kasten
Bond	Dodd	Kerry
Boren	Domenici	Kohl
Boschwitz	Durenberger	Lautenberg
Bradley	Garn	Leahy
Breaux	Gore	Lieberman
Conrad	Gramm	Mack
Cranston	Harkin	Metzenbaum
D'Amato	Hatfield	Mikulski
Moynihan	Reid	Symms
Nickles	Riegle	Warner
Packwood	Sarbanes	Wilson
Pell	Specter	
Pressler	Stevens	

NAYS—52

Baucus	Gorton	Mitchell
Bentsen	Graham	Murkowski
Bingaman	Grassley	Nunn
Bryan	Hatch	Pryor
Bumpers	Heflin	Robb
Burdick	Helms	Rockefeller
Burns	Hollings	Roth
Byrd	Humphrey	Rudman
Chafee	Johnston	Sanford
Coats	Kassebaum	Sasser
Cochran	Kennedy	Shelby
Cohen	Kerrey	Simon
Danforth	Levin	Simpson
Dole	Lott	Thurmond
Exon	Lugar	Wallop
Ford	McCain	Wirth
Fowler	McClure	
Glenn	McConnell	

NOT VOTING—2

Jeffords	Matsunaga

So the amendment (No. 260) was rejected.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. SIMPSON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, for the information of the membership, we reached a unanimous-consent agreement last night on all of the amendments and time allocations. We have moved through these amendments and, to my best knowledge, the remaining action will be the amendments of the Senator from Texas, Senator GRAMM, whom we have been working with over the course of the day and who is prepared to offer his amendments en bloc.

I believe we have consulted the interested parties on that and we would hope to proceed with those in relatively short order. At least as far as this side of the aisle is concerned, there has been an indication that there would be no further amendments. I plan to make only a brief comment just before moving to final passage, hopefully, by 6:30.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Mr. President, I share that hope with my friend from Massachusetts. I do have an amendment here from Senator KASSEBAUM, which will be accepted.

Mr. KENNEDY. Yes, we have technical amendments but we will do that between now and 6:30. We have some technical amendments.

Mr. SIMPSON. But without any further ado on this side of the aisle at this point, I think it is just the amendments of Senator GRAMM left, and I think we have pretty well accommodated those, unless there are others in the unanimous-consent agreement.

As far as we know now, that would seem to be the extent of it.

Mr. KENNEDY. That is about where we are.

Mr. SYMMS. Mr. President, I will be very brief. I will say to the managers of the bill I had wanted to offer an amendment with respect to Hong Kong that went further than the amendment that the committee has accepted. I understand, under the time agreement, an amendment to the amendment of Senator SIMON is out of order.

I would like to present my statement for the RECORD to appear in the RECORD right after the comments of the distinguished Senator from Illinois [Mr. SIMON] prior to the vote of the Simon amendment which was accepted with respect to Hong Kong. I announce to my colleagues that at a more appropriate time I intend to offer an amendment to either the State Department authorization bill or another vehicle that would raise the quota of these entrepreneurs from Hong Kong, but I will not do it today.

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

AMENDMENTS NOS. 261, 262, 263 AND 264 EN BLOC

Mr. GRAMM. Mr. President, I send four amendments en bloc to the desk and ask for their immediate consideration.

The PRESIDING OFFICER. Is there objection to considering the amendments en bloc? Without objection, it is so ordered. They will be considered en bloc. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Texas [Mr. GRAMM] proposes amendments numbered 261, 262, 263, and 264 en bloc.

Mr. GRAMM. Mr. President, I ask unanimous consent that the reading of the amendments be dispensed with.

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

The amendments are as follows:

AMENDMENT NO. 261

On page 75, line 10, strike out "and".

On page 76, line 9, strike out the period and insert in lieu thereof "; and".

On page 76, between lines 9 and 10, insert the following:"(3) qualified immigrants who are trained medical personnel described in section 109(f), not to exceed 4,000 nurses and 1,000 physicians.

On the conditional basis described in section 109.

On page 124, after line 25, insert the following:

SEC. 104. INCENTIVES FOR TRAINED MEDICAL PERSONNEL TO WORK IN RURAL AREAS.

(a) CONDITIONAL BASIS FOR PERMANENT RESIDENT STATUS FOR TRAINED MEDICAL PERSONNEL.—Chapter 2 of title II of the Immigration and Nationality Act is amended by adding at the end the following new section:

"CONDITIONAL PERMANENT RESIDENT STATUS FOR TRAINED MEDICAL PERSONNEL, SPOUSES, AND CHILDREN

"SEC. 218. (a) IN GENERAL.—

"(1) CONDITIONAL BASIS FOR STATUS.—(A) Notwithstanding any other provision of this Act, an alien who is a trained medical person (as defined in subsection (f)(1)), spouse, and child (as defined in subsection (f)(2)) shall be considered, at the time of obtaining the status of an alien lawfully admitted for permanent residence, to have obtained such status on a conditional basis subject to the provisions of this section if such person, with the prior approval of the governor of that state, has made a commitment to perform medical services in a Health Manpower Shortage Area in an individual state as defined under the Public Health Service Act, where there is a shortage in United States trained physicians, and such person has obtained privileges from a hospital located within that Health Manpower Shortage Area, for 10 years.

"(2) NOTICE OF REQUIREMENTS.—

"(A) AT TIME OF OBTAINING PERMANENT RESIDENCE.—At the time an alien medical person, spouse, or child obtains permanent resident status on a conditional basis under paragraph (1), the Attorney General shall provide for notice to such medical person, spouse, or child respecting the provisions of this section and the requirements of subsection (c)(1) to have the conditional basis of such status removed.

"(B) AT TIME OF REQUIRED PETITION.—In addition, the Attorney General shall attempt to provide notice to such medical person, spouse, or child, at or about the beginning of the 90-day period described in subsection (d)(2)(A), of the requirements of subsection (c)(1).

"(C) EFFECT OF FAILURE TO PROVIDE NOTICE.—The failure of the Attorney General to provide a notice under this paragraph shall not affect the enforcement of the provisions of this section with respect to such medical person, spouse, or child.

"(b) TERMINATION OF STATUS IF FINDING THAT QUALIFYING ENTREPRENEURSHIP IMPROPER.—

"(1) IN GENERAL.—In the case of an alien with permanent resident status on a conditional basis under subsection (a), if the Attorney General determines, before the tenth anniversary of the alien's obtaining the status of lawful admission for permanent residence, that the alien is not performing medical services in a Health Manpower Shortage Area or has not obtained privileges from a hospital located within that Health Manpower Shortage Area, then the Attorney General shall so notify the alien involved and, subject to paragraph (2), shall terminate the permanent resident status of the alien involved as of the date of the determination.

"(2) HEARING IN DEPORTATION PROCEEDING.—Any alien whose permanent resident status is terminated under paragraph (1) may request a review of such determination in a proceeding to deport the alien. In such proceeding, the burden of proof shall be on the Attorney General to establish, by a preponderance of the evidence, that a condition described in paragraph (1) is met.

"(c) REQUIREMENTS OF TIMELY PETITION AND INTERVIEW FOR REMOVAL OF CONDITION.—

"(1) IN GENERAL.—In order for the conditional basis established under subsection (a) for an alien medical person, spouse, or child to be removed—

"(A) the alien medical person must submit to the Attorney General, during the period described in subsection (d)(2), a petition which requests the removal of such conditional basis and which states, under penalty of perjury, the facts and information described in subsection (d)(1), and

"(B) in accordance with subsection (d)(3), the alien medical person must appear for a personal interview before an officer or employee of the Service respecting the facts and information described in subsection (d)(1).

"(2) TERMINATION OF PERMANENT RESIDENT STATUS FOR FAILURE TO FILE PETITION OR HAVE PERSONAL INTERVIEW.—

"(A) IN GENERAL.—In the case of an alien with permanent resident status on a conditional basis under subsection (a), if—

"(i) no petition is filed with respect to the alien in accordance with the provisions of paragraph (1)(A), or

"(ii) unless there is good cause shown, the alien medical person fails to appear at the interview described in paragraph (1)(B), the Attorney General shall terminate the permanent resident status of the alien as of the tenth anniversary of the alien's lawful admission for permanent residence.

"(B) HEARING IN DEPORTATION PROCEEDING.—In any deportation proceeding with respect to an alien whose permanent resident status is terminated under subparagraph (A), the burden of proof shall be on the alien to establish compliance with the conditions of paragraphs (1)(A) and (1)(B).

"(3) DETERMINATION AFTER PETITION AND INTERVIEW.—

"(A) IN GENERAL.—If—

"(i) a petition is filed in accordance with the provisions of paragraph (1)(A), and

"(ii) the alien medical person appears at the interview described in paragraph (1)(B), the Attorney General shall make a determination, within 90 days of the date of the interview, as to whether the facts and information described in subsection (d)(1) and alleged in the petition are true with respect to the performance of medical services by the alien.

"(B) REMOVAL OF CONDITIONAL BASIS IF FAVORABLE DETERMINATION.—If the Attorney General determines that such facts and information are true, the Attorney General shall so notify the alien involved and shall remove the conditional basis of the alien's status effective as of the tenth anniversary of the alien's obtaining the status of lawful admission for permanent residence.

"(C) TERMINATION IF ADVERSE DETERMINATION.—If the Attorney General determines that such facts and information are not true, the Attorney General shall so notify the alien involved and, subject to subparagraph (b), shall terminate the permanent resident status of an alien medical person, spouse, or child as of the date of the determination.

"(D) HEARING IN DEPORTATION PROCEEDING.—Any alien whose permanent resident status is terminated under subparagraph (C) may request a review of such determination in a proceeding to deport the alien. In such proceeding, the burden of proof shall be on the Attorney General to establish, by a preponderance of the evidence, that the facts and information described in subsection (d)(1) and alleged in the petition are not true with respect to the performance of medical services by the alien.

"(d) DETAILS OF PETITION AND INTERVIEW.—

"(1) CONTENTS OF PETITION.—Each petition under subsection (c)(1)(A) shall contain facts and information demonstrating that the alien performed medical services in a Health Manpower Shortage Area or has not obtained privileges from a hospital located within that Health Manpower Shortage

Area, throughout the alien's residence in the United States.

"(2) PERIOD FOR FILING PETITION.—

"(A) 90-DAY PERIOD BEFORE SECOND ANNIVERSARY.—Except as provided in subparagraph (B), the petition under subsection (c)(1)(A) must be filed during the 90-day period before the tenth anniversary of the alien's obtaining the status of lawful admission for permanent residence.

"(B) DATA PETITIONS FOR GOOD CAUSE.—Such a petition may be considered if filed after such date, but only if the alien establishes to the satisfaction of the Attorney General good cause and extenuating circumstances for failure to file the petition during the period described in subparagraph (A).

"(C) FILING OF PETITIONS DURING DEPORTATION.—In the case of an alien who is the subject of deportation hearings as a result of failure to file a petition on a timely basis in accordance with subparagraph (A), the Attorney General may stay such deportation proceedings against an alien pending the filing of the petition under subparagraph (B).

"(3) PERSONAL INTERVIEW.—The interview under subsection (c)(1)(B) shall be conducted within 90 days after the date of submitting a petition under subsection (c)(1)(A) and at a local office of the Service, designated by the Attorney General, which is convenient to the parties involved. The Attorney General, in the Attorney General's discretion, may waive the deadline for such an interview or the requirement for such an interview in such cases as may be appropriate.

"(e) TREATMENT OF PERIOD FOR PURPOSES OF NATURALIZATION.—For purposes of title III, in the case of an alien who is in the United States as a lawful permanent resident on a conditional basis under this section, the alien shall be considered to have been admitted as an alien lawfully admitted for permanent residence and to be in the United States as an alien lawfully admitted to the United States for permanent residence beginning 5 years after the conditional admission of the alien.

"(f) DEFINITIONS.—In this section:

"(1) The term 'alien medical person' means an alien who obtains the status of an alien lawfully admitted for permanent residence under section 201(a)(3) and who is a physician or nurse, licensed to practice within that state and who is competent in oral and written English.

"(2) The term 'spouse' and the term 'child' mean an alien who obtains the status of an alien lawfully admitted for permanent residence (whether on a conditional basis or otherwise) by virtue of being the spouse or child, respectively, of an alien entrepreneur.".

(b) ADDITIONAL GROUND FOR DEPORTATION.—Section 241(a)(9) (8 U.S.C. 1251(a)(9)) is amended by inserting before the semicolon at the end thereof the following: ", (C) is an alien with permanent resident status on a conditional basis under section 218 and has such status terminated under such section".

(c) CRIMINAL PENALTY FOR IMMIGRATION-RELATED ENTREPRENEURSHIP FRAUD.—Section 275 of such Act (8 U.S.C. 1325) is amended by adding at the end thereof the following new subsection:

"(c) Any individual who knowingly performs medical services under section 109 for the purpose of evading any provision of the immigration laws shall be imprisoned for not more than 5 years, or fined not more than $250,000, or both.".

(d) LIMITATION ON ADJUSTMENT OF STATUS.—Section 245 of such Act (8 U.S.C. 1255) is amended by adding at the end the following new subsection:

"(f) The Attorney General may not adjust, under subsection (a), the status of an alien lawfully admitted to the United States for permanent residence on a conditional basis under section 218.".

(e) CONFORMING AMENDMENT.—The table of contents of such Act is amended by inserting after the item relating to section 217 the following new item:

"Sec. 218. Conditional permanent resident status for trained medical personnel, spouses, and children.".

AMENDMENT NO. 262

(Purpose: To allot visa numbers to selected immigrants based on a revised ranking of the scores attained through the point assessment system)

(a) On page 95, line 8, strike out "45" and insert in lieu thereof, "60,"

(b) On page 98, strike out lines 5 through 9 and insert in lieu thereof: "to eligible qualified immigrants who attain the highest scores (in descending order) on the assessment system described in subsection (b)(5)(B) with respect to petitions filed for the fiscal year involved, with the lowest scores qualifying under this clause to be chosen, if necessary, in the random order described in clause (B); and".

AMENDMENT NO. 263

(Purpose: To modify provisions relating to congressional review of worldwide numerical limitations on the admission of immigrants)

On page 81, line 2, insert after "105 percent" the following: "(or, if so, to the extent of a 5 percent decrease or increase, as the case may be)".

On page 81, line 8, after "transmitted" insert the following: "(or a 5 percent increase or decrease, as the case may be)".

On page 81, line 15, insert after "change" the following: "(to the extent that the change is less than 95 percent or more than 105 percent, as the case may be)".

AMENDMENT NO. 264

(Purpose: To admit additional immigrants who will invest in rural areas or areas of high unemployment)

On page 92, line 13, strike "5 percent" and insert in lieu thereof "3.33 percent".

On page 94, strike out line 11 and all that follows through line 2 on page 95 and insert in lieu thereof the following:

"(4) EMPLOYMENT CREATION.—Visas shall be made available next, in a number not to exceed 5.67 percent of such worldwide level, to any qualified immigrant who is seeking to enter the United States for the purpose of engaging in a new commercial enterprise which the alien has established and in which such alien has invested or, is actively in the process of investing—

"(A) capital, in an amount not less than $1,000,000, and which will benefit the United States economy and create full-time employment for not fewer than 10 United States citizens or aliens lawfully admitted for permanent residence (other than the spouse, sons, or daughters of such immigrant); or

"(B) capital, in an amount not less than $500,000, in rural areas or in areas which have experienced persistently high unemployment, at the time of investment, of at least one and one-half times the national average rate, and which will benefit the United States economy and create full-time employment for not fewer than 10 United States citizens or aliens lawfully admitted for permanent residence (other than the spouse, sons, or daughters of such immigrant).

Of the visas allocated under this paragraph, 1.67 percent of the worldwide level shall be available for aliens investing as described in clause (B). Special attention shall be given to such aliens in clause (B) who have invested or, are actively in the process of investing, in rural areas, with an unemployment rate, at the time of the investment, of at least one and one-half times the national average. For purposes of clause (B), the term "rural area" means all territory of a State that is not within a metropolitan statistical area or the outer boundary of any city or town having a population of 20,000 or more based on the latest dicennial census of the United States. The Attorney General, in consultation with the Secretary of Labor and the Secretary of State, may prescribe regulations increasing the dollar amount of the investment necessary in claus (A) for the issuance of a visa under this paragraph.

Mr. GRAMM. Mr. President, these four amendments deal with the following areas: First of all, in the bill, there is what I would call a technical problem in that if the President asks for an increase in the overall level of immigration of 5 percent or less, that goes into effect unless Congress acts to deny him that increase. If he asks for 5 percent or more, that does not go into effect unless Congress acts affirmatively. That clearly was not the intent, it seems to me, of the bill.

What this says is if the President asks for 5 percent or less, it goes into effect unless Congress disapproves. If he asks for 5 percent or more, unless Congress disapproves, 5 percent goes into effect and Congress has to approve anything over that.

The second amendment is a more substantive amendment and it has to do with the point system. Basically under the current point system, we set up a procedure whereby we rate potential immigrants on education, on needed skills, et cetera, but we do not necessarily allocate visas to the people who score highest on these individual ratings.

So what this amendment does, recognizing the Simon amendment, is that it allocates 20 percent of the 54,000 slots to be granted under this to the people who simply score highest on the test. And then it allocates the other 80 percent to those who score 60 points or more. It simply says if you are going to have a test on the needs of the American economy, on distinguished education and skills than let people in who meet the test and who score the highest grades.

The next amendment has to do with physicians and nurses. The amendment admits up to 5,000 additional health care providers—up to 4,000 nurses and up to 1,000 doctors—as additional immigrants based on the con-

dition that these individuals practice in health manpower shortage areas, and that they stay in these areas for at least 10 years.

This amendment does not preempt current State licensing standards. There is a health care manpower shortage throughout the country. We have 83 entire areas of nonmetropolitan areas in Texas that are designated as medically short. What this would allow is that physicians and nurses that meet the skill levels required by the States could come in and practice in a rural, underserved area for 10 years and become American citizens.

The final part of it creates a new category with 2,000 visas for investors who invest either in rural areas or in areas that have an unemployment level of 1½ times the national average, with special attention given to rural areas that have high unemployment. These investors would also be required to create 10 jobs and put capital in of at least $500,000. So we are talking about a new investor category. We are talking about a health care provider category. We are talking about a merit system in points, and we are talking about technical corrections and I appreciate the indulgence of my colleagues and their willingness to work with me on these amendments.

Mr. KENNEDY. Mr. President, I appreciate the cooperation that we have had from the Senator from Texas. He has correctly explained the provisions during his comments. We are willing to make adjustments along the lines that have been recommended. There is some adjustment in terms of rural development and depressed inner-city centers to encourage investment in those areas. There is some adjustment to select persons for the point system, to give 20 percent of the visas to those with the most points. And there is a technical amendment which clarifies the President's authority to change national immigration levels by 5 percent. Finally, there is an amendment to permit the admission of health professionals to work in underserved areas, and to require that those individuals stay there for 7 years.

The concern we had earlier about this last amendment is that individuals come in, and, once they meet the other medical requirements, they settle in for only a short period of time, and then leave. But the provision of the Senator from Texas is appropriately strict on this point.

Mr. President, I am prepared to recommend we accept his amendments. We have been in negotiation a good part of the day in working out the language. I have no objection to his proposals.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Mr. President, we have been working with the staff of the Senator from Texas and all of us have been involved in that. I just have a concern about one amendment with regard to what appears to me to be over and above the national level of immigration that we were seeking to maintain, even though assuredly the Hatch-DeConcini amendment, and one or two others, have probably abused that concept slightly. Nevertheless, I would inquire as to whether under the rural doctors amendment we are actually adding to the national level of immigration and, if we are, what is the rationale for that?

Mr. GRAMM. I appreciate the distinguished Senator posing the question. As I understand it, the way the amendment is drafted and was worked on by joint staff, you have up to 4,000 nurses, up to 1,000 doctors, obviously, depending on how many are certified by the State or how many are licensed by the State. That would be in addition, as I understand it, to the overall total. I would be willing to work out a compromise that would make that adjustment in some area. That is not the way the staff drafted it, but if that is a problem for our distinguished colleague from Wyoming, I am willing to negotiate.

Mr. SIMPSON. Mr. President, I am going to accept that good faith proposal. I think we can do that and work to see that that small number, indeed it is small compared to 600,000, that it is encapsuled in the national level of immigration.

AMENDMENT NO. 264

Mr. BOSCHWITZ. Mr. President, I am pleased to join Senator GRAMM in offering this amendment, which would enhance the immigration bill before us by attracting significant investments to rural America.

As my colleagues know, the Immigration Act of 1989 creates a category of 120,000 independent visas, which would be available for people with particular skills or qualities that the United States needs. Up to 4 percent, or 4,800, of these independent visas could be used by aliens who invest at least $1 million in a commercial enterprise in the United States that creates at least 10 new jobs. Any visas issued under this category would be conditional and would have to be reviewed after 2 years.

The amendment we are offering adds an additional 2,000 visas exclusively for those who invest in rural or high unemployment areas. Under the amendment, all investors would still have to create 10 new jobs, and the investors would still be subject to a 2-year review.

The amendment does not increase the total level of immigration set out in the bill. The new rural investor visas will be taken from the "special immigrant" category. Demand for visas in this category is far below the level set in this bill. Therefore, I think that we can afford to deduct a certain number of visas from it.

Mr. President, I am especially concerned with the rural investment this amendment would support. Although many parts of the country have experienced great economic growth in the past 8 years, rural areas often have not shared in that prosperity. These areas have great difficulty attracting the investment capital so needed for economic growth.

As the ranking Republican member of the Small Business Committee, I have made rural development a priority. Earlier this year, I introduced legislation to make investment capital more accessible to rural businesses. The amendment we are offering strengthens such efforts to reach out to rural America.

The amendment adds an additional 2,000 visas—to create at least 20,000 new jobs in rural or depressed areas. In addition, the other 4,800 visas could also be used by investors in rural areas. The amended investor provision could therefore be used to create at least 68,000 jobs—many of them in rural America. And the investors cannot just promise to create jobs—they must deliver. They will be subject to deportation if they do not continue to meet the job-creation requirements at the 2-year review.

No doubt, some will argue that we should not be increasing a category that only benefits "fat cats." First, let me say that the investor visas are a worthwhile addition to our immigration system. Second, I am certain that none of the Americans who gain jobs from this provision will begrudge investors their visas.

In fact, many other countries have similar provisions in their immigration laws. In the past we, too, have had this type of provision in U.S. law, and even today the United States grants temporary visas to aliens who invest at least $150,000 and employ at least one worker. We have seen the success of this provision with nonimmigrants, and extending this provision to the job-creating portion of the Immigration Act of 1988 will benefit us all.

In any event, even with the Gramm-Boschwitz amendment, investor visas will total less than 2 percent of total immigration. Less than 2 percent. Over 98 percent of immigrants will continue to be admitted on the basis of family connections or special skills.

Mr. President, this bill is not intended to solve all the problems facing rural America, but it is a step in the right direction. Part of the rationale of the Immigration Act of 1989 is to make immigration more responsive to our broad national interests. Rural America absolutely must be included within that national interest. I see no reason to shut out willing investors

while our small towns and inner cities across America are facing hard times.

Indeed, the national interest is well served by granting a limited number of visas to aliens who wish to make a substantial contribution to our economy. Our amendment maintains investor visas at a modest level—but makes a special effort to reach out to rural communities in need. At a time when we are concerned about supporting the current economic expansion, our amendment could create up to 20,000 new jobs in the United States each year.

I urge my colleagues to support this amendment.

Mr. GRAMM. Senator BOSCHWITZ would like to be a cosponsor of the entire package.

The PRESIDING OFFICER. It is so ordered.

Mr. SIMPSON. Mr. President, I am going to say that we will do that and accommodate that within the bill as amended, and I am sure that can be done without further violating the national level of immigration. Is that the understanding of the Senator from Texas?

Mr. GRAMM. Let me say, Mr. President, that I would be happy with that agreement. I had understood when it was being drafted that that was the case. If it did not turn out to be the case, I will be happy to change it.

Mr. SIMPSON. It will be within the level of 630,000, which is what happened now with the amendment of Senator SPECTER.

Mr. GRAMM. That is my understanding of what the total will be.

The PRESIDING OFFICER. Is there any further debate on the amendments?

Mr. KENNEDY. I am prepared to yield back the remainder of the time.

The PRESIDING OFFICER. If there is no further debate on the amendments, the question is on agreeing to the Gramm amendments en bloc.

The amendments (Nos. 261, 262, 263, and 264) were agreed to, en bloc.

Mr. SIMPSON. Mr. President, I want the colloquy that Senator GRAMM and I had to be perfectly clear, and that will be accomplished before final passage on this bill.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 265

(Purpose: To provide a technical amendment permitting reciprocal visaless rights for aircraft crewmembers serving on aircraft from countries participating in the Visa Waiver Pilot Program)

Mr. SIMPSON. Mr. President, I send to the desk an amendment on behalf of Senator KASSEBAUM and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Wyoming [Mr. SIMPSON] for Mrs. KASSEBAUM (for herself and Mr. DANFORTH) proposes an amendment numbered 265.

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

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

The amendment is as follows:

On page 124, after line 25, insert the following new section:

SEC. 109. ENTRY OF CERTAIN AIRCRAFT CREWMEMBERS.

Section 217 of the Immigration and Nationality Act (8 U.S.C. 1187) is amended—

(1) by redesignating subsection (e) as subsection (f); and

(2) by inserting the following new subsection:

"(e) The Attorney General and the Secretary of State are further authorized to issue regulations providing for the waiver of visa requirements for aircraft crewmembers serving on aircraft who are nationals of pilot program countries designated pursuant to subsection (c). Such regulations may provide for aircraft crew visa waivers on a reciprocal basis with each individual pilot program country during the pilot program period."

Mr. SIMPSON. Mr. President, this amendment makes a minor correction to the visa waiver program pertaining to aircraft crewmembers. This amendment is acceptable to this comanager of the bill. I know that Senator KENNEDY has reviewed it, and I ask that it be adopted.

Mrs. KASSEBAUM. Mr. President, the Senate is considering legislation which will have an impact on the social and economic fabric of our Nation. Senate bill 358 would constitute a shift in U.S. immigration policy, with a new emphasis on our country's human resource needs, while still preserving the prior emphasis on family reunification.

I, along with my colleague from Missouri, Senator DANFORTH, propose an amendment to S. 358 which would help clarify some human resource concerns that were addressed, albeit inadvertently, in previous modifications to our immigration laws.

Mr. President, a problem has arisen in the past month with guidelines set forth in a section of the Immigration and Nationality Act known as the Visa Waiver Pilot Program. This threatens to undermine the effectiveness of existing immigration policy and, at the same time, could undermine stability and mutual cooperation within the international aviation community.

The Government of France, which for the past several years has not required visas for United States aircraft crew members, has reinstated a visa program for crew members, with an effective date of October 5, 1989. This action is permissible under the Visa Waiver Pilot Program because the law does not extend the visa waiver privilege to flight crew members.

Under the Visa Waiver Pilot Program, eight countries operate under a mutual agreement to allow tourist and business travelers from the participating countries to enter each country for a visit of up to 90 days without a visa. The participating countries include the United States, the United Kingdom, France, Japan, Switzerland, Italy, Sweden, West Germany, and The Netherlands.

The legislative intent behind the creation of this program was to provide substantial benefits to international tourist and business travelers. Little, if any, consideration was given to the potential problems that might be encountered by international aircraft crew members who might not be eligible to participate in the waiver program. Ironically, this could produce a situation in which an entire aircraft full of foreign travelers could enter the United States for an extended visit of up to 90 days without any visas, while the aircraft which brought them—and then typically departs again within a matter of hours or days—would be required to obtain and maintain a visa.

It is clear that such a result was not intended. The logistical confusion and costs associated with obtaining and maintaining visas for each international crew member of U.S. air carriers is antithetical to the efficiency goals of the Visa Waiver Pilot Program. As is evidenced in this letter sent to me by Trans World Airlines, the United States carrier with the highest traffic into and out of Paris, France, this would affect as many as 7,000 crew members of one single airline. I ask unanimous consent that TWA's letter be inserted in the RECORD immediately following my statement.

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

(See exhibit 1.)

Mrs. KASSEBAUM. Mr. President, this amendment would correct this deficiency in the law by permitting the Secretary of State and the Attorney General to issue appropriate regulations to permit and control the visaless entry of foreign aircraft crew members on a basis consistent with the Visa Waiver Pilot Program and our national immigration policy.

Mr. President, the State Department, the Justice Department, and the Immigration and Naturalization Service have indicated that they support this amendment, and I urge my colleagues to do the same.

EXHIBIT 1

TWA,
Washington, DC, July 11, 1989.

Hon. NANCY L. KASSEBAUM,
U.S. Senator, Senate Russell Office Building, Washington, DC.

DEAR SENATOR KASSEBAUM: As you know, the United States and several countries, including France, have reciprocally waived visitor visa requirements as of July 1, 1989. The airline industry has worked diligently on this issue for a long time and we are delighted that business and tourism travellers will no longer need visas to enter these countries or the United States. Unfortunately, despite this action, the law does not extend the visa waiver privilege to flight crew members. As a result, the government of France which for the past several years has not required visas for U.S. crews, has reinstated a visa program for them effective July 1, 1989.

Efforts by various U.S. government agencies have delayed the requirement until July 31, 1989 and they are now proposing a further extension until October 5, 1989; however, as of today we have no absolute assurance that the French government will agree.

Quite apart from the requirements of any other U.S. flag carriers, TWA alone may need to obtain as many as 7,000 visas for our crew members in this extremely short period of time. In order to secure a visa the crew member must go to a French consulate taking his passport, fill out the required documents, and pay a $15.00 fee. In many instances this is impractical. For example, there is no French consulate in St. Louis or Kansas City, and the documents would have to be sent to Chicago for processing and returned by mail. Since our international crew members regularly circulate through TWA's hub at Paris and physically need to retain their passports, the overall complications of obtaining a crew visa are readily apparent.

I would hope very much Senator, that you could assist us to correct this aberration in the law through an amendment. This would permit crew members from those countries which have agreed with the United States to waive visitor visa requirements to enter the United States without a visa, and vice versa. Conversation we have had with officials at the Department of State, the Immigration and Naturalization Service and the Department of Transportation lead us to believe that all of these agencies would support this principle. They have already assisted us substantially in seeking to extend the grace period.

The airline industry and we at TWA in particular are most appreciative of your interest and support in connection with this matter.

Sincerely,

R.D. DEVLIN,
Director, Legislative Affairs.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 265) was agreed to.

Mr. SIMPSON. I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. BUMPERS. Mr. President, I ask unanimous consent that I be permitted to proceed for 60 seconds?

The PRESIDING OFFICER. Is there objection? The Senator from Arkansas.

Mr. BUMPERS. Of course there is no objection.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 60 seconds.

Mr. BUMPERS. Mr. President, I apologize for not being here when the Gramm amendment was offered. I just wanted to say I preached here yesterday with all the fervor of my body and soul against the investor preference. I still feel just as strongly about it. But the point was made ysterday that if we were going to do this, we ought to at least have these people who are coming here with a million bucks invest their money where jobs are needed most. The distinguished Senator from Illinois [Mr. SIMON] said he would like to see that, too. That is what the Gramm amendment does. I am not going to vote for this bill. I am not going to vote for it because of my strong feelings about the investor preference, and I do not think very many people are going to invest their money here on that basis. But I do want to say if this survives conference, which I hope it will not, they ought to be putting their money in the Mississippi Delta where 11 million people live and have lived in pervasive and persistent poverty for over 100 years. It is something the Congress ought to be addressing anyway. But I am pleased to support the Gramm amendment, because at least it takes a little of the sting off. I hope in conference they will remove the jobs allocated under the other investor category.

I thank the distinguished floor manager for so generously not objecting to my request.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. I am reluctant to mention this but there is no time limitation on the total bill so we could have listened to the Senator for a long, long time.

Mr. BUMPERS addressed the Chair.

Mr. KENNEDY. I did not want to mention that.

Do I have the floor?

Mr. BYRD. Mr. President, I intend to vote against the passage of S. 358, the Immigration Act of 1989.

When the Senate began consideration of this legislation, the Senate Committee on the Judiciary recommended to the Senate a consensus bill that reflected reforms for the admittance of immigrants into our Nation. Our colleagues, the Chairman of the Judiciary Committee, Mr. KENNEDY, the ranking member, Mr. SIMPSON, and the Senator from Illinois, Mr. SIMON, have worked diligently to craft a piece of legislation that reflects the differing views of many of the members. I commend, and appreciate their hard work. I intended to vote for this legislation, but the bill in its final form does not reflect the legislation as reported to the full Senate. Mr. President, I am concerned about the increased levels of immigrants that would be admitted into this country under this amended version. The original bill, as reported, would have established a national level of immigration at 600,000, 22 percent above the current legal limits. I agree with that approach. No one can argue that the wonderful strength and diversity brought to this Nation historically by immigrants following the promise of freedom is a pillar of our national heritage. But, the amended bill before us would increase the national level of immigration to almost 900,000.

Now is not the time to move in this direction. Reality has to chart our course. We must consider the economic conditions of the United States. As is the case in my home State of West Virginia, there are areas of this country that are in no shape economically, to address the increase of immigrants that this legislation will provide. America has been a traditionally generous country. We provide unrestricted visas to the immediate family members of U.S. citizens, but in developing our national immigration policies, our first consideration should be that of developing America and providing jobs for our own citizens. I believe we must focus on our own national interest at this time. We must ask ourselves how many more people our country will be able to accommodate. We cannot be so generous that we stretch our own scarce resources to the breaking point and diminish the quality of American life for all. That approach would consitute a disservice to new Americans as well as to those who have been here for generations. It is time for our heads to rule our hearts in this matter and I hope the legislation will be defeated.

Ms. MIKULSKI. Mr. President, I will cast my vote against final passage of S. 358, the Immigration Act of 1989.

I do not take this step lightly. The committee has worked diligently to put together a bill which addresses troublesome problems facing our immigration system—the shortage of visa slots, the need to find skilled workers for certain jobs, the difficulties which some ethnic groups face in immigrating, and the long delays in processing pending applications.

Still, I am not convinced that the bill represents a step forward in our immigration policy.

In my view, a guiding principle of that policy of paramount importance should be family reunification. This bill, in the long run, will make it more

difficult to bring together family members of naturalized U.S. citizens.

By setting a cap on family preference visas and continuing, properly, to allow unlimited entry to children, spouses, and parents, we will be squeezing out brothers and sisters and adult children of naturalized citizens.

Supporters of the bill sometimes make a distinction between brothers, sisters and adult children on the one hand and immediate family members on the other. In my mind there is absolutely no question that siblings and adult children are a part of the immediate family.

Anyone who grew up in East Baltimore, as I did, understands how important it is to bring together the entire core family—from Poland, Greece, Italy, Ireland, or whatever the home country. My own family and the families of my Baltimore neighbors were simply not complete until the brothers, sisters, and children of the original immigrant were fortunate enough to join the rest of the family as Americans.

This feeling is just as strong in our newer immigrants—largely Hispanics and Asians—who are worried that they will not be able to fulfill the same dream. And they are right. The General Accounting Office tells us that under the committee bill, in a few years, the number of family preference visas will total zero. The Hatch-DeConcini amendment preserving the current level of 216,000 family preference visas was a step in the right direction, but that number will be sadly inadequate in the near future.

For this reason I feel I must oppose the bill.

Mr. ADAMS. Mr. President, last year the Senate passed a legal immigration reform bill with little substantive debate on the bill. I am glad to see that this year the Senate is spending some time on this issue, because immigration is a tremendously complex field which in many ways reflects—and shapes—the image we have of our society.

In many ways, I think that the bill before us today makes important and worthy changes to our immigration system. But there are also elements of this bill which are deeply troubling. After carefully weighing the good against the bad, I have decided to support this bill, but with the hope that it may be modified before it completes its journey through the legislative process.

There is no question that we need to reform our current system of legal immigration. There are waiting lists of millions of applicants whose hopes for finally obtaining a visa to come to this country are practically nonexistent—the wait from some countries is over 15 years. There are people from many countries who do not have any family connections in the United States and thus have no fair chance to come to this country. For these reasons and others, I support immigration reform and I was an original cosponsor of Senator SIMON's bill, S. 448, which addressed these problems. My difficulty with the Kennedy-Simpson bill we are debating today, however, is that it departs from important principles of family reunification in immigration to which I believe we must adhere.

Let me start by reviewing the positive aspects of the Kennedy-Simpson bill.

First, the bill expands the opportunity for "independent" immigrants who have no family ties in this country to immigrate to the United States. And it does so without significantly reducing the immigration opportunities available to those with family ties.

Second, the bill increases the number of visas available under the second preference category, for spouses and children of permanent residents. This increase would help alleviate a backlog of eligible applications that now results in waits of up to 10 years in some countries.

Third, in adopting the family unification amendment offered by Senator CHAFEE, we are providing relief from deportation for families where one member of the family qualified for legalization under the 1986 immigration reform bill, but where another member did not qualify for legalization.

Fourth, the adoption of the Mitchell-Dole amendment and the Gorton amendment provide additional protection for Chinese students here in this country who might otherwise face the prospect of punishment in China had they been forced to return.

Finally, this bill rectifies an injustice done to certain Filipino World War II veterans. In March 1942 Congress amended the Nationality Act of 1940 to allow for the naturalization of Filipino veterans who served honorably in World War II. Unfortunately, due to an administrative decision made at that time, many of these veterans were unable to take advantage of the naturalization process. This bill would allow these veterans to be naturalized if they currently reside in the United States and if they meet the requirements set out in the 1940 act.

Unfortunately, there is one provision in this bill that threatens to wipe out the benefits made by the reforms in this bill. That is the provision that offsets visas granted to immediate relatives against the number of visas available for other family preference categories.

There is no advantage to increasing the number of second preference visas if none of those visas actually will be available. When immediate relative visas are offset against family preference visas under an overall cap on family connection immigration, we are pitting one relative against the other. If the number of immediate relatives coming to the United States continues to grow, as projected it will, there will be no visas for additional second and fifth preference relatives.

It is true that the Hatch-DeConcini amendment mitigates the harm of this offset. We now have a floor of 216,000 family connection visas, the same number as is currently available, so that these family members will not be completely crowded out. But I do not see the need for this offset to begin with. The Simon immigration reform bill did not contain such an offset, even though it set a target level for overall worldwide immigration.

I am also disturbed by the adoption today of the amendment that directs the Census Bureau to exclude undocumented aliens from the total population figures used for purposes of reapportioning the U.S. House of Representatives. I am convinced that this amendment is unconstitutional and thus should be stricken from the bill. I expect that the House will review this issue very carefully and will agree with my conclusion.

Mr. President, let me conclude by saying that this bill makes many positive reforms in our legal immigration system. On the other hand, there are several aspects of the bill with which I do not agree. This is only natural, given the scope and complexity of this bill and the controversial nature of efforts to change our immigration laws. I am willing, however, to work with the managers of this bill and with my other colleagues in the Senate and the House to improve and perfect this measure.

Mr. CRANSTON. Mr. President, I would like to make a few brief remarks before we vote on final passage of this legislation.

Yesterday, I explained my concern regarding this legislation which would—for the first time—impose a cap on family sponsored immigration. If enacted in its current form, this legislation will establish the precedent that under such a cap visas granted to the immediate relatives of U.S. citizens would be counted against the visas which would be available to other family connected immigrants. As I stated yesterday, I cannot support this precedent. Therefore, I cannot support this legislation.

During the course of the debate on this legislation, we adopted an amendment which I believe will lessen the bill's negative impact on family reunification efforts. I was very glad to see the Hatch-DeConcini amendment adopted which will at least establish that, under the cap, the visas available for family connected immigrants (other than immediate relatives of U.S. citizens) will not fall below the current level—216,000.

I was also very glad to see that the amendment offered by Senator CHAFEE to assure the unity of families under the legalization program authorized by the Immigration Reform Act of 1986 was adopted. This amendment was long overdue and I was glad to see that we were able to act finally to resolve this situation.

And, of course, the amendment adopted to ease the situation for Chinese students currently residing in the United States is extremely important. Given the crisis in the People's Republic of China, we should make every effort to assure the safety of these students.

Yet, in spite of these improvements in the bill, and the other reforms which are contained in the legislation, I still cannot support it.

As I explained yesterday, Mr. President, California is home to more Asians and Hispanics than any other State in the country. No single issue nor piece of legislation has raised their concern as much as this legislation we are voting on today. Although the sponsors of this bill argue that this legislation will benefit those who rely on family preference visas to be reunited with their family members, the message I have received from these individuals is that they would prefer to see no reform legislation at all rather than see reforms which would include placing a new cap on family sponsored immigration. I, personally, think we should pay attention to this message.

During yesterday's debate on the Hatch-DeConcini amendment, the Senator from Texas, Senator GRAMM, made a statement which rings very true with me. He said something to the effect that when it comes down to choosing between "numbers" and a "principle," we should stick with the principle.

The principle of family reunification is very basic to our immigration laws. In my view, the fact that this legislation proposes to place—for the first time—family sponsored immigration under a cap violates this principle.

For these reasons I will vote "no," and I urge my colleagues to vote "no" also.

The PRESIDING OFFICER. The Senator from Massachusetts has the floor.

Mr. KENNEDY. Mr. President, I will just take 2 or 3 minutes here in final comment.

America thrives on immigration. It always has, and it always will.

We can't afford to put a sign on the Statute of Liberty that says, "no vacancy." Yet that's what we've been saying to too many nations for too many years.

Immigration issues are profoundly important. They touch the heart of what America is. They remind us how we all became Americans. They tell us who the future Americans will be.

Discrimination any time, any place, anywhere is wrong. There is too much discrimination and too many restrictions in our immigration laws. The gates of this country have been slammed shut on too many peoples in too many other lands who deserve a fair chance to become Americans. That has to stop, or America will not be America.

It helps at times like this—when passions are high about immigration, when it is sometimes difficult for the Senate to discern its true priorities—to go back to first principles.

In my view, those principles have rarely, if ever, been stated more eloquently than in the famous words of the sonnet by Emma Lazarus, inscribed on a plaque in the pedestal of the Statue of Liberty in New York Harbor.

Millions of immigrants have heard those words, and it helps for the Senate to hear them too. I quote:

Not like the brazen giant of Greek fame,
With conquering limbs astride from land to land;
Here at our sea-washed, sunset gates shall stand
A mighty woman with a torch, whose flame
Is the imprisoned lightning, and her name
Mother of exiles.
From her beacon-hand
Glows world-wide welcome; her mild eyes command
The air-bridged harbor that twin cities frame.
"Keep, ancient lands, your storied pomp!" cries she
With silent lips.
Give me your tired, your poor,
Your huddled masses yearning to breathe free,
The wretched refuse of your teeming shore.
Send these, the homeless, tempest-tossed to me,
I lift my lamp beside the golden door!

I hope, as we near the end of this difficult, but profoundly important debate, that the Senate will heed those words and be faithful to their spirit—and help us to open the golden door again.

Finally, Mr. President, I want to express my great appreciation to my colleague, the Senator from Wyoming. He and I have wrestled with immigration issues frequently on opposite sides, but more often together, as we have worked on the problems of immigration and refugees and problems of asylees and always it is a joy. As one who has been involved in this issue I can say that all of immigration and refugee policy is fairer and more just because of the outstanding, extraordinary work of the Senator from Wyoming. I have said on a number of occasions, and it is worthwhile to mention here, there is very little in this issue for the Senator from Wyoming except a lot of hard, difficult work and a lot of time spent dealing with people of strong passions and high emotion. Nonetheless, his mark not only on this legislation but on other legislation is going to be recorded in the history books as an extraordinarily positive contribution.

I thank my colleague from Illinois [Mr. SIMON]. As we pointed out at the start of this debate, it is a small subcommittee, and we do have differing views. But Senator SIMON has been someone who has spent a great deal of time on this issue. He has take time during the course of this debate to bring to the Senate an informed and balanced judgment, and the legislation is significantly better because of his involvement and his participation. I am, indeed, grateful to him.

I thank the staffs of our committees. They have served us extremely well. We have had a very varied debate on constitutional issues, immigration issues, and development issues, and they have demonstrated their resourcefulness and their energy and their good judgment. I am appreciative of all of their work, especially to Senator SIMPSON's chief counsel, Dick Day, who has worked so cooperatively with us for many years—and to Carl Hampe, minority counsel. It is rare in this body for two opposite staffs to work so closely, in such a unifying spirit and shared goals, as the two staffs on our Immigration Subcommittee.

Lastly to my own staff: Jerry Tinker, staff director of the subcommittee, Michael Myers, counsel, and Kay Anske, a congressional fellow from the Department of State's Bureau of Consular Affairs, whose contributions and expertise has been extraordinarily important to the subcommittee.

Most of all, I am thankful to our colleagues, to the leadership, Senator MITCHELL and Senator DOLE, for giving us an opportunity to debate these issues.

As was pointed out, this is only the fourth time in the history of our country that we have attempted general immigration reform. It is significant that we have been able to dispose of this bill in the relatively short time that we have.

Perhaps, Mr. President, this is because the basic proposals in this compromise bill have been before Congress for a full decade:

In 1979-80 these reforms were first formulated and recommended by the Select Commission on Immigration and Refugee Policy (chaired by Father Hesburgh), upon which Senator SIMPSON, Senator DECONCINI and I all served;

In 1982 the Senate first adopted the concept of this bill, the creation of a new "independent" immigration system, in the first Simpson/Mazzoli bill;

In 1983 the Senate again adopted these provisions, but they were not considered in the House;

In 1987 the first Kennedy/Simpson bill was introduced and adopted by the Judiciary Committee; and

In 1988 the full Senate adopted the bill 88 to 4 on March 14.

In short, Mr. President, the bill before us has been thoroughly debated and reviewed by Congress; the issues and trade-offs remain unchanged; the need for hard choices are as important today as they were last year or a decade ago.

I believe this bill reflects a true consensus on what needs to be done to get us started down the road towards immigration reform we all know is long overdue.

Again, Mr. President, I am grateful to all of our colleagues who have shown and demonstrated good humor and concern about some of the most difficult and passionate and emotional issues of our time. I thank them for all of the courtesies that they have shown to the managers. I will be grateful for their help and support as we move beyond this part of our legislative agenda.

Mr. President, have we asked for the yeas and nays?

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. KENNEDY. I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The Senator from Wyoming is recognized.

Mr. SIMPSON. Mr. President, I have very mixed emotions about the bill we are about to vote on. I will not delay that vote. I deeply appreciate the help of all of the Members on both sides of the aisle for their help. As we started this morning, it was an unwieldy list under the unanimous-consent agreement, and you helped us pare that down. We appreciate it very much. I know I do. I know Senator KENNEDY does.

I certainly want to say this: I am encouraged by the assistance of my subcommittee colleagues. It must be the smallest subcommittee in the Senate. Nobody else wants to get into it. Senator KENNEDY and myself and Senator SIMON have been assigned the task. We did some awfully tough negotiating. They kept their word with me. I know I did with them. Senator KENNEDY has been excellent to work with, and I appreciate all of his assistance. Senator SIMON has performed admirably in a very difficult and politicized area for him, and I pay him special tribute. In short, I appreciate the active participation of those two fine Members on the other side of the aisle as we worked on these tough, tough issues with the other Senate colleagues who participated.

I am pleased that independent immigration has been increased. That was a necessary and important goal of this bill. We have provided for additional business visas. We have a new point system for immigrants with no ties at all to this country.

Finally, we have a mechanism in place to give greater control over immigration levels to the people's elected representatives, the President and the Congress.

However, there are a number of amendments to this bill that I have significant concern with in every way. I am most disappointed that the concept of an overall national level of immigration was weakened severely by the Hatch-DeConcini amendment.

I also think we embarked on a very dangerous path by granting what I perceive as a kind of de facto second amnesty to the illegal family of those persons who qualified for the original amnesty program—the people who are in legal status who are already here do not have that benefit. I think the American public will not be enthused when they really hear what that one did. We will hear from permanent resident aliens who have been waiting for their spouses and children to join them for years who have not received that benefit. Perhaps we will have to revisit that question.

But I am pleased at least that the independent immigration was increased, although I do not believe it was wise to do so by taking it beyond the 22-percent increase in the original proposal.

I am also discouraged that we did not reinsert the points in the point system for English language, as it pertains to only 9 percent of the huge number of new visas, 630,000 in this bill. I think that is something that would have served the immigrants well and our country quite well. I think you will see that revisited as we deal with Hong Kong, and English proficiency.

All in all, Mr. President, I say it is not what we started with, nor the bill I agreed upon. I think it fails in some areas. It is disappointing in some areas, and yet I am heartened in some areas. It is not for me to be the heavy judge here, anyway. I am not a person who spends much time dealing with the ups and downs. I think Kipling had it right. If you deal with triumph and disaster, treat those two imposters just the same. So all in all, I do not want to seem petty, and state that I "know better."

It has been a long haul. The collective wisdom of this body has spoken. Having legislated for 25 years, I am going to stick with it. I am going to vote for this package despite certain significant reservations about portions of it. I think we should send it along to the House. They have new players over there. It is going to be interesting to see what they do with it, and let our colleagues over there work their will on this issue.

I will vote for final passage, and I thank my colleagues for their participation in these very difficult but important issues these past few days. There are not easy answers in this arena. Our new colleagues have seen that. Those who have never been in this debate see how tough it is. You cannot hide from tough, tough issues. There are no easy votes—not one was cast.

So I thank my staff. I thank Dick Day, my friend who I jerked out of Cody, WY, 10 years ago because I said I am headed into an arena that is filled with all sorts of stuff, and I better have somebody with me that cares about me. I am going to need a lot of loving care. That is my friend, Dick Day.

Carl Hampe has been a splendid young man, and is working in law school and is helping me now and has been with me for several years. I pay tribute to them, and to Senator KENNEDY's staff, always successful: Jerry Tinker, Michael Myers, Kay Anske—fine people; and to John Trasvina and Ankun Goel of Senator SIMON's staff. We do not spend any time in partisanship. We lay the political stuff on the table and say here is where your problems are; here is where mine are.

So I thank the majority leader who has had innate patience and kindness with us in this bill. I noticed he just kind of let us roll along in there. He was not about to let it get too far from the stream; and thanks also to Senator DOLE. It is good for me as a legislator to see the way that GEORGE MITCHELL and BOB DOLE work together for the benefit of this Chamber and assist us as we manage tough bills. We do get our work done in this arena.

I think there is a spirit of fairness that certainly permeates this Chamber. I think that same spirit of fairness will begin to permeate the House of Representatives after their anguishing ordeal under the leadership of TOM FOLEY. Enough of that.

I wish my friend from Massachusetts a good trip to London, and I have furnished him a brand new cigar on the condition he never smoke it in my presence. [Laughter.]

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, I will just take 60 seconds. I am the very junior member of this subcommittee working in this area of immigration. It is a complex bill. The two senior colleagues on that subcommittee, Senator KENNEDY and Senator SIMPSON, are real legislators who have really devoted time, effort, and talent to this. The Nation has been well served by their service.

The PRESIDING OFFICER. The Senator from Massachusetts.

AMENDMENT NO. 266

(Purpose: To make available certain funds for the preparation and initiation of the immigrant visa program and to make technical corrections)

Mr. KENNEDY. Mr. President, just a final order of business will be the technical corrections. These are amendments en bloc. They reflect the drafting errors and clarifications.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY], for himself and Mr. SIMPSON, proposes amendment numbered 266.

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

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

The amendment is as follows:

Beginning on page 118, strike out line 17 and all that follows through line 4 on page 119 and insert in lieu thereof the following:

"(r) CREDITABLE FEES.—(1) Notwithstanding sections 1 and 2 of the Act of June 4, 1920, as amended (42 Stat. 750; 11 U.S.C. 214) or any other provision of law, the Secretary of State shall pay the expenses incurred during the two years immediately following the date of enactment of the Immigration Act of 1989 to prepare for and initiate the immigrant visa program provided for under sections 201(a)(3), 201(b)(2)(A)(i), and 203 (a) and (b). Such expenses include salary and expenses, space and support costs, research and development, software, equipment acquisition, equipment replacement, hardware and software maintenance, and anti-fraud costs of visa and passport functions connected with that program.

"(2) Beginning fiscal year 1990, and each fiscal year thereafter, fees collected by consular officers shall be credited to a Department of State account which shall be available only for the payment of the expenses of automation activities, equipment and software maintenance, hardware replacement, research and development and support costs, except that not more than $30,000,000 of such fees may be available for each year for fiscal years 1990 and 1991 and not more than $20,000,000 for each fiscal year thereafter for the purposes as described in paragraphs (1) and (2).

"(3) Nothing in this subsection shall be construed as making funds under this subsection available for the machine readable document program.

"(4) There are authorized to be appropriated to the Department of State to carry out paragraph (1) such sums as may be necessary for each of fiscal years 1990 and 1991.".

On page 128, line 15, strike out "(e)" and insert in lieu thereof "(d)".

On page 130, strike out "any State or".

On page 132, lines 5 and 6, strike out ", other than subsection (d)".

On page 132, line 7, strike out "(a)(1)" each of the two places it appears.

On page 132, line 23, strike out "or the".

At the appropriate place in the bill, insert:

In no case should the benefits described in subsection (a), or the provisions of subsection (b), include such programs which provide general assistance to States and communities impacted by the arrival of undocumented aliens or other assistance which is not a direct cash benefit or federal social insurance benefit to individual aliens.

In section (f)(2)—the very last sentence of the Gorton Amendment—"subsection (a)" should instead be "paragraph (1)".

Amend amendment numbered 239 to the bill as follows:

On line 6 of page 2, strike "Nonimmigrants" and insert "Nonimmigrants".

On line 13 of page 2, insert the following after "101(a)(15)(J)": ", or changed status to that of a nonimmigrant under 101(a)(15)(J),".

On line 19 of page 2, strike "(1)".

On line 23 of page 2, strike "and is present in the United States as a nonimmigrant described in section 101(a)(15) (F), (J), and (M), as well as their immediate family—".

On line 25 of page 2, strike the comma and insert "described in section 101(a)(15) (F), (J), or (M)".

On line 1 of page 3, before "before," insert "as a nonimmigrant described in section 101(a)(15) (F), (J), or (M)".

On line 16 of page 3, strike "who applies for adjustment of status or change of nonimmigrant status under the terms of this section" and insert "who is described in paragraph (1) or (2) of subsection (b)".

On line 21 of page 3, strike the period and insert "for the period described in subsection (e).".

On line 1 of page 4, strike "or until" and insert "regardless of whether".

On page 92, line 17, strike out "(2)" and insert in lieu thereof, "(3)".

On page 93, line 17, strike out "(3)" and insert in lieu thereof, "(4)".

On page 94, line 11, strike out "(4)" and insert in lieu thereof, "(5)".

On page 95, line 3, strike out "(5)" and insert in lieu thereof, "(6)".

On page 92, line 20, strike out "28" and insert in lieu thereof, "26.375".

On page 93, line 18, strike out "28" and insert in lieu thereof, "26.375".

On page 92, between lines 16 and 17, insert the following:

"(2) qualified immigrants who are trained medical personnel described in section 109(f), not to exceed 4,000 nurses and 1,000 physicians on the conditional basis described in section 109.

On page 124, after line 25, insert the following:

SEC. 104. INCENTIVES FOR TRAINED MEDICAL PERSONNEL TO WORK IN RURAL AREAS.

(a) CONDITIONAL BASIS FOR PERMANENT RESIDENT STATUS FOR TRAINED MEDICAL PERSONNEL.—Chapter 2 of title II of the Immigration and Nationally Act is amended by adding at the end the following new section:

"CONDITIONAL PERMANENT RESIDENT STATUS FOR TRAINED MEDICAL PERSONNEL, SPOUSES, AND CHILDREN

"SEC. 218. (a) IN GENERAL.—

"(1) CONDITIONAL BASIS FOR STATUS.—(A) Notwithstanding any other provision of this Act, an alien who is a trained medical person (as defined in subsection (f)(1)), spouse, and child (as defined in subsection (f)(2)) shall be considered, at the time of obtaining the status of an alien lawfully admitted for permanent residence, to have obtained such status on a conditional basis subject to the provisions of this section if such person, with the prior approval of the governor of that state, has made a commitment to perform medical services in a Health Manpower Shortage Area in an individual state as defined under the Public Health Service Act, where there is a shortage in United States trained physicians, and such person has obtained privileges from a hospital located within that Health Manpower Shortage Area for 10 years.

"(2) NOTICE OF REQUIREMENTS.—

"(A) At time of obtaining permanent residence.—At the time an alien medical person, spouse, or child obtains permanent resident status on a conditional basis under paragraph (1), the Attorney General shall provide for notice to such medical person, spouse, or child respecting the provisions of this section and the requirements of subsection (c)(1) to have the conditional basis of such status removed.

"(B) AT TIME OF REQUIRED PETITION.—In addition, the Attorney General shall attempt to provide notice to such medical person, spouse, or child, at or about the beginning of the 90-day period described in subsection (d)(2)(A), of the requirements of subsection (C)(1).

"(C) EFFECT OF FAILURE TO PROVIDE NOTICE.—The failure of the Attorney General to provide a notice under this paragraph shall not affect the enforcement of the provisions of this section with respect to such medical person, spouse, or child.

"(b) TERMINATION OF STATUS IF FINDING THAT QUALIFYING ENTERPRENEURSHIP IMPROPER.—

"(1) IN GENERAL.—In the case of an alien with permanent resident status on a conditional basis under subsection (a), if the Attorney General determines, before the tenth anniversary of the alien's obtaining the status of lawful admission for permanent residence, that the alien is not performing medical services in a Health Manpower Shortage area or has not obtained privileges from a hospital located within that Health Manpower Shortage Area, then the Attorney General shall so notify the alien involved and, subject to paragraph (2), shall terminate the permanent resident status of the alien involved as of the date of the determination.

"(2) HEARING IN DEPORTATION PROCEEDING.—Any alien whose permanent resident status is terminated under paragraph (1) may request a review of such determination in a proceeding to deport the alien. In such proceeding, the burden of proof shall be on the Attorney General to establish, by a preponderance of the evidence, that a condition described in paragraph (1) is met.

"(c) REQUIREMENTS OF TIMELY PETITION AND INTERVIEW FOR REMOVAL OF CONDITION.—

"(1) IN GENERAL.—In order for the conditional basis established under subsection (a) for an alien medical person, spouse, or child to be removed—

"(A) the alien medical person must submit to the Attorney General, during the period described in subsection (d)(2), a petition which requests the removal of such conditional basis and which states, under penalty of perjury, the facts and information described in subsection (d)(1), and

"(3) in accordance with subsection (d)(3), the alien medical person must appear for a personal interview before an officer or employee of the Service respecting the facts and information described in subsection (d)(1).

"(2) TERMINATION OF PERMANENT RESIDENT STATUS FOR FAILURE TO FILE PETITION OR HAVE PERSONAL INTEREVIEW.—

"(A) IN GENERAL.—In the case of an alien with permanent resident status on a conditional basis under subsection (a), if—

"(i) no petition is filed with respect to the alien in accordance with the provisions of paragraph (1)(A), or

"(ii) unless there is good cause shown, the alien medical person fails to appear at the interview described in paragraph (1)(B), the Attorney General shall terminate the permanent resident status of the alien as of the tenth anniversary of the alien's lawful admission for permanent residence.

"(B) HEARING IN DEPORTATION PROCEEDING.—In any deportation proceeding with respect to an alien whose permanent resident status is terminated under subparagraph (A), the burden of proof shall be on the alien to establish compliance with the conditions of paragraphs (1)(A) and (1)(B).

"(3) DETERMINATION AFTER PETITION AND INTERVIEW.—

"(A) IN GENERAL.—If—

"(i) a petition is filed in accordance with the provisions of paragraph (1)(A), and

"(ii) the alien medical person appears at the interview described in paragraph (1)(B),

the Attorney General shall make a determination, within 90 days of the date of the interview, as to whether the facts and information described in subsection (d)(1) and alleged in the petition are true with respect to the performance of medical services by the alien.

"(B) REMOVAL OF CONDITIONAL BASIS IF FAVORABLE DETERMINATION.—If the Attorney General determines that such facts and information are true, the Attorney General shall so notify the alien involved and shall remove the conditional basis of the alien's status effective as of the tenth anniversary of the alien's obtaining the status of lawful admission for permanent residence.

"(C) TERMINATION IF ADVERSE DETERMINATION.—If the Attorney General determines that such facts and information are not true, the Attorney General shall so notify the alien involved and, subject to subparagraph (D), shall terminate the permanent resident status of an alien medical person, spouse, or child as of the date of the determination.

"(D) HEARING IN DEPORTATION PROCEEDING.—Any alien whose permanent resident status is terminated under subparagraph (C) may request a review of such determination in a proceeding to deport the alien. In such proceeding, the burden of proof shall be on the Attorney General to establish, by a preponderance of the evidence, that the facts and information described in subsection (d)(1) and alleged in the petition are not true with respect to the performance of medical services by the alien.

"(d) DETAILS OF PETITION AND INTERVIEW.—

"(1) CONTENTS OF PETITION.—Each petition under subsection (c)(1)(A) shall contain facts and information demonstrating that the alien performed medical services in a Health Manpower Shortage Area or obtained privileges from a hospital located within that Health Manpower Shortage Area throughout the alien's residence in the United States.

"(2) PERIOD FOR FILING PETITION.—

"(A) 90-DAY PERIOD BEFORE SECOND ANNIVERSARY.—Except as provided in subparagraph (B), the petition under subsection (c)(1)(A) must be filed during the 90-day period before the tenth anniversary of the alien's obtaining the status of lawful admission for permanent residence.

"(B) DATE PETITIONS FOR GOOD CAUSE.—Such a petition may be considered if filed after such date, but only if the alien establishes to the satisfaction of the Attorney General good cause and extenuating circumstances for failure to file the petition during the period described in subparagraph (A).

"(C) FILING OF PETITIONS DURING DEPORTATION.—In the case of an alien who is the subject of deportation hearings as a result of failure to file a petition on a timely basis in accordance with subparagraph (A), the Attorney General may stay such deportation proceedings against an alien pending the filing of the petition under subparagraph (2).

"(3) PERSONAL INTERVIEW.—The interview under subsection (c)(1)(B) shall be conducted within 90 days after the date of submitting a petition under subsection (c)(1)(A) and at a local office of the Service, designated by the Attorney General, which is convenient to the parties involved. The Attorney General, in the Attorney General's discretion, may waive the deadline for such an interview or the requirement for such an interview in such cases as may be appropriate.

"(e) TREATMENT OF PERIOD FOR PURPOSES OF NATURALIZATION.—For purposes of title III, in the case of an alien who is in the United States as a lawful permanent resident on a conditional basis under this section, the alien shall be considered to have been admitted as an alien lawfully admitted for permanent residence and to be in the United States as an alien lawfully admitted to the United States for permanent residence beginning 5 years after the conditional admission of the alien.

"(f) DEFINITIONS.—In this section:

"(1) The term 'alien medical person' means an alien who obtains the status of an alien lawfully admitted for permanent residence under section 201(a)(3) and who is a physician or nurse, licensed to practice within that state and who is competent in oral and written English.

"(2) The term 'spouse' and the term 'child' mean an alien who obtains the status of an alien lawfully admitted for permanent residence (whether on a conditional basis or otherwise) by virtue of being the spouse or child, respectively, of an alien entrepreneur.".

"(b) ADDITIONAL GROUND FOR DEPORTATION.—Section 241(a)(9) (8 U.S.C. 1251(a)(9)) is amended by inserting before the semicolon at the end thereof the following: ", or (c) is an alien with permanent resident status on a conditional basis under section 218 and has such status terminated under such section".

"(c) CRIMINAL PENALTY FOR IMMIGRATION-RELATED ENTREPRENEURSHIP FRAUD.—Section 275 of such Act (8 U.S.C. 1325 is amended by adding at the end thereof the following new subsection:

"(c) Any individual who knowingly performs medical services under section 109 for the purpose of evading any provision of the immigration laws shall be imprisoned for not more than 5 years, or fined not more than $250,000, or both.".

"(d) LIMITATION ON ADJUSTMENT OF STATUS.—Section 245 of such Act (8 U.S.C. 1255) is amended by adding at the end the following new subsection:

"(f) The Attorney General may not adjust, under subsection (a), the status of an alien lawfully admitted to the United States for permanent residence on a conditional basis under section 218.".

"(e) CONFORMING AMENDMENT.—The table of contents of such Act is amended by inserting after the item relating to section 217 the following new item:

"Sec. 218. Conditional permanent resident status for trained medical personnel, spouses, and children.".

Mr. KENNEDY. Mr. President, I think I can speak in behalf of the Senator from Wyoming and myself. They are the technical corrections, and I urge they be accepted.

The PRESIDING OFFICER. The question is on agreeing to the technical amendments.

The amendment (No. 266) was agreed to.

Mr. SIMPSON. Mr. President, also that bundle of amendments corrects and clarifies the colloquy between Senator GRAMM and myself a few moments ago.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Hawaii [Mr. MATSUNAGA] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Vermont [Mr. JEFFORDS] is necessarily absent.

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

The result was announced—yeas 81, nays 17, as follows:

[Rollcall Vote No. 117 Leg.]

YEAS—81

Adams	Garn	McConnell
Armstrong	Glenn	Metzenbaum
Baucus	Gorton	Mitchell
Bentsen	Graham	Moynihan
Biden	Gramm	Murkowski
Bingaman	Grassley	Nickles
Bond	Harkin	Nunn
Boren	Hatch	Packwood
Boschwitz	Hatfield	Pell
Bradley	Heinz	Pressler
Bryan	Humphrey	Pryor
Burdick	Johnston	Riegle
Burns	Kassebaum	Robb
Chafee	Kasten	Rockefeller
Coats	Kennedy	Roth
Cochran	Kerrey	Sanford
Cohen	Kerry	Sarbanes
D'Amato	Kohl	Sasser
Danforth	Lautenberg	Simon
Daschle	Leahy	Simpson
DeConcini	Levin	Specter
Dixon	Lieberman	Stevens
Dodd	Lott	Symms
Dole	Lugar	Thurmond
Domenici	Mack	Wallop
Durenberger	McCain	Warner
Fowler	McClure	Wirth

NAYS—17

Breaux	Ford	Mikulski
Bumpers	Gore	Reid
Byrd	Heflin	Rudman
Conrad	Helms	Shelby
Cranston	Hollings	Wilson
Exon	Inouye	

NOT VOTING—2

Matsunaga Jeffords

So the bill (S. 358), as amended, was passed.

(Note: Publication of S. 358, as amended, as passed, will appear in a subsequent edition of the RECORD.)

Mr. DOLE. Mr. President, I move to reconsider the vote by which the bill, as amended, was passed.

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

The motion to lay on the table was agreed to.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that there now be a period for morning business not to extend beyond 10 minutes.

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

HONORING THE U.S. SUBMARINE VETERANS OF WORLD WAR II

Mr. REID. Mr. President, I rise today to recognize the great contributions of the submarine veterans of World War II. The submarines and their brave crews played a crucial role in our victory, in that war, and they deserve our recognition, respect, and gratitude.

The U.S. Submarine Veterans of World War II will be holding their 35th National Convention in Reno, NV, from August 13-18 of this year. It is with great pride that I welcome them to the great State of Nevada for this event. I would also like to submit for the RECORD the proclamation on their behalf.

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

PROCLAMATION

Whereas the stated purpose of the U.S. Submarine Veterans of World War II is "to perpetuate the memory of those shipmates who gave their lives in submarine warfare; to further promote and keep alive the spirit and unity that existed among submarine crewmen during World War II; to promote sociability, general welfare and good fellowship among its members; and pledge loyalty and patriotism to the United States government, and

Whereas the late Fleet Admiral Chester W. Nimitz summed up the role of U.S. submarines in World War II by saying: "When I assumed command of the Pacific Fleet on 31 December, 1941, our submarines were already operating against the enemy, the only units of the fleet that could come to grips with the Japanese for months to come. It was to the Submarine Force that I looked to carry the load until our great industrial activity could produce the weapons we so sorely needed to carry the war to the enemy. It is to the everlasting honor and glory of our submarine personnel that they never failed us in our days of great peril," and

Whereas more than 55 percent of all Japanese ships in World War II were sunk by the United States Submarine Force, a force that consisted of less than 2 percent of the United States Navy's personnel, and

Whereas the U.S. Submarine Veterans of World War II is meeting August 13-19 in Reno, Nevada for its 35th National Convention, remembering again the 3,505 officers and crew members who were lost on 52 submarines during World War II and are on "eternal patrol."

I urge my colleagues in the Senate of the United States to urge all of our citizens to honor these men of the "Silent Service."

MESSAGES FROM THE HOUSE

At 12:20 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1722) to amend the National Gas Policy Act of 1978 to eliminate wellhead price and nonprice controls on the first sale of natural gas, and to make technical and conforming amendments to such Act.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 1312. An act to revise and extend the programs of the Domestic Volunteer Service Act of 1973.

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

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

S.J. Res. 95. Joint resolution to designate the week of September 10, 1989, through September 16, 1989, as "National Check-Up Week"; and

S.J. Res. 137. Joint resolution designating January 7, 1990, through January 13, 1989, as "National Law Enforcement Training Week."

The enrolled bill and joint resolutions were subsequently signed by the President pro tempore [Mr. BYRD].

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

S. 1312. An act to revise and extend the programs of the Domestic Volunteer Service Act of 1973; to the Committee on Labor and Human Resources.

ENROLLED JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on today, July 13, 1989, he had presented to the President of the United States the following enrolled joint resolutions:

S.J. Res. 95. Joint resolution to designate the week of September 10, 1989, through September 16, 1989, as "National Check-Up Week"; and

S.J. Res. 137. Joint resolution designating January 7, 1990 through January 13, 1990, as "National Law Enforcement Training Week."

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-1352. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a Soil Conservation Service plan for the Whites Creek Watershed, Mississippi; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1353. A communication from the Secretary of Defense, transmitting, pursuant to law, certification that the current 5-year defense program fully funds the support costs associated with the Defense Meteorological Satellite Multiyear Program; to the Committee on Armed Services.

EC-1354. A communication from the Acting Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Navy's proposed letter of offer to Switzerland for defense articles estimated to cost in excess of $50 million; to the Committee on Armed Services

EC-1355. A communication from the Secretary of Commerce, transmitting, pursuant to law, the annual report on the administration of the Marine Mammal Protection Act for 1987-88; to the Committee on Commerce, Science, and Transportation

EC-1356. A communication from the Secretary of the Interstate Commerce Commission, transmitting, pursuant to law, notice of an extension of time for issuing a decision on *Shenango Inc. et al.* v. *Pittsburgh, Chartiers and Youghiogheny Railway Co.;* to the Committee on Commerce, Science, and Transportation.

EC-1357. A communication from the Deputy Associate Director for Collection and Disbursements, Minerals Management Service, Department of the Interior, transmitting, pursuant to law a report on the refund of certain overpayments of offshore oil lease revenues; to the Committee on Energy and Natural Resources.

EC-1358. A communication from the Deputy Associate Director for Collection

and Disbursements, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore oil lease revenues; to the Committee on Energy and Natural Resources.

EC-1359. A communication from the Deputy Associate Director for Collection and Disbursements, Minerals Management Service, Department of the Interior, transmitting, pursuant to law a report on the refund of certain overpayments of offshore oil lease revenues; to the Committee on Energy and Natural Resources.

EC-1360. A communication from the Deputy Associate Director for Collection and Disbursements, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore oil lease revenues; to the Committee on Energy and Natural Resources.

EC-1361. A communication from the Chief of the Forest Service, Department of Agriculture, transmitting, pursuant to law, the boundary description and classification of the Kings, Middle Fork Kings, and South Fork Kings Wild and Scenic River within the Sierra National Forest, California; to the Committee on Energy and Natural Resources.

EC-1362. A communication from the Secretary of Energy, transmitting, pursuant to law, the quarterly report on the Strategic Petroleum Reserve for January 1 through March 31, 1989; to the Committee on Energy and Natural Resources.

EC-1363. A communication from the Secretary of Agriculture, transmitting, pursuant to law, the annual report on the Youth Conservation Corps Program for 1988; to the Committee on Energy and Natural Resources.

EC-1364. A communication from the Assistant Secretary of the Army (Civil Works), transmitting, pursuant to law, a plan of project for Hamlet City Lake, Hamlet, NC; to the Committee on Environment and Public Works.

EC-1365. A communication from the President of the United States, transmitting, pursuant to law, the annual report of the Council on Environmental Quality for 1987 and 1988; to the Committee on Environment and Public Works.

EC-1366. A communication from the Secretary of the Interior, transmitting, pursuant to law, the ninth annual report on the Tule Elkherds in California; to the Committee on Environment and Public Works.

EC-1367. A communication from the General Counsel of the Department of the Treasury, transmitting a draft of proposed legislation to amend sections 5315 and 5316 of title 5, United States Code, to raise the position of the Chief Counsel for the Internal Revenue Service, Department of the Treasury, from Level V to Level IV of the Executive Schedule; to the Committee on Finance.

EC-1368. A communication from the Deputy Director of the United States Information Agency, transmitting, pursuant to law, a report that action has been taken by the United States Government in response to an official request from the Government of Bolivia for emergency import restrictions under the Convention on Cultural Property Implementation Act; to the Committee on Finance.

EC-1369. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, information required by the Foreign Relations Authorization Act for fiscal years 1988 and 1989; to the Committee on Foreign Relations.

EC-1370. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the 60-day period prior to June 22, 1989; to the Committee on Foreign Relations.

EC-1371. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on the extent and disposition of United States contributions to international organizations; to the Committee on Foreign Relations.

EC-1372. A communication from the Acting Comptroller General of the United States, transmitting, pursuant to law, a list of reports issued by the General Accounting Office during May 1989; to the Committee on Governmental Affairs.

EC-1373. A communication from the Secretary of Defense, transmitting, pursuant to law, the semiannual report on audit, inspection, and investigative operations in the Department of Defense for the 6-month period ending March 31, 1989; to the Committee on Governmental Affairs.

EC-1374. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, a draft of proposed legislation to amend the Computer Matching and Privacy Protection Act of 1988 to provide a temporary exemption for certain existing computer matching programs; to the Committee on Governmental Affairs.

EC-1375. A communication from the Assistant Comptroller General of the United States transmitting, pursuant to law, a report entitled "Automated Systems: Legislative Branch Opportunity for Sharing Payroll/Personnel Systems"; to the Committee on Governmental Affairs.

EC-1376. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled "Follow-up Compliance Audit of the Escheated Estates Fund"; to the Committee on Governmental Affairs.

EC-1377. A communication from the Chairman of the U.S. Merit Systems Protection Board, transmitting, pursuant to law, the annual report of the Board's case decisions for fiscal year 1988; to the Committee on Governmental Affairs.

EC-1378. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-51 adopted by the Council on June 13, 1989; to the Committee on Governmental Affairs.

EC-1379. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-47 adopted by the Council on June 13, 1989; to the Committee on Governmental Affairs.

EC-1380. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-49 adopted by the Council on June 13, 1989; to the Committee on Governmental Affairs.

EC-1381. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-48 adopted by the Council on June 13, 1989; to the Committee on Governmental Affairs.

EC-1382. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-54 adopted by the Council on June 13, 1989; to the Committee on Governmental Affairs.

EC-1383. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-53 adopted by the Council on June 13, 1989; to the Committee on Governmental Affairs.

EC-1384. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-52 adopted by the Council on June 13, 1989; to the Committee on Governmental Affairs.

EC-1385. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-50 adopted by the Council on June 13, 1989; to the Committee on Governmental Affairs.

EC-1386. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to amend section 106 and 212 of the District of Columbia Public Works Act of 1954, as amended, to require Federal agencies to reimburse the District of Columbia (hereinafter in this Act referred to as "the District") for water and sanitary sewer services they receive; to the Committee on Governmental Affairs.

EC-1387. A communication from the Executive Secretary of the Federal Reserve Employee Benefits System, transmitting, pursuant to law the annual report of the System for the plan year ending December 31, 1989; to the Committee on Governmental Affairs.

EC-1388. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, the annual report on the activities of the Indian Health Service for fiscal year 1987; to the Select Committee on Indian Affairs.

EC-1389. A communication from the Secretary of Education transmitting, pursuant to law, notice of final priorities for fiscal years 1989 and 1990—Special Projects and Demonstrations for Providing Vocational Rehabilitation Services to Individuals with Severe Handicaps; to the Committee on Labor and Human Resources.

EC-1390. A communication from the Secretary of Labor, transmitting a draft of proposed legislation to amend the Job Training Partnership Act to improve the delivery of services to hard-to-serve youth and adults, to establish the Youth Opportunities Unlimited program, and for other purposes; to the Committee on Labor and Human Resources.

EC-1391. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations—Early Intervention Programs for Infants and Toddlers with Handicaps; to the Committee on Labor and Human Resources.

EC-1392. A communication from the President of the United States, transmitting a draft of proposed legislation to amend the Government-Wide Ethics Act of 1989 to prohibit the acceptance of honoraria by Members of Congress; to the Committee on Governmental Affairs.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and

were referred or ordered to lie on the table as indicated:

POM-169. A resolution adopted by the Hutchison County Council, Texas, relative to tax-exempt bonds; to the Committee on Finance.

POM-170. A joint resolution adopted by the Legislature of the State of Nevada; to the Committee on Finance:

"SENATE JOINT RESOLUTION NO. 24

"Whereas the State of Nevada has been subjected to an increasing number of restrictions on the type and amount of tax-exempt private activity bonds that can be issued by local governments and state agencies, such as the Nevada Department of Commerce, to assist qualified business enterprises in financing capital expansion projects within Nevada; and

"Whereas Chapter 348A of NRS authorizes the establishment of an allocation program by which the State of Nevada can restrict the number of tax-exempt private activity bonds so that the amount of such bonds can be contained within the volume cap established for the State of Nevada by federal tax law (26 U.S.C. § 146(b) and (c)); and

"Whereas there is a shortage of affordable single family housing in the State of Nevada for purchase by persons of low or moderate income; and

"Whereas the exemption of interest on qualified mortgage bonds from federal taxation by the Internal Revenue Code provides an incentive for the issuance and purchase of such bonds; the proceeds of which may only be used to finance owner-occupied moderately priced residences; and

"Whereas current federal law contains a sunsent date of December 31, 1989, for the issuance of tax-exempt private activity bonds that can be issued to support certain qualified projects and the issuance of tax-exempt mortgage bonds that can be issued to finance qualified owner-occupied residences; and

"Whereas the issuance of tax-exempt private activity bonds has greatly assisted the State of Nevada in efforts to diversify the state's economy, to create new jobs, and to achieve many of the goals and objectives of the Nevada State Plan for Economic Diversification and Development adopted by the Commission on Economic Development; and

"Whereas the issuance of qualified mortgage bonds has provided a stable source of mortgage loans for residents of Nevada with low and moderate incomes, thereby alleviating the crucial shortage of housing for such person: Now, therefore, be it

"*Resolved by the Senate and the Assembly of the State of Nevada, jointly,* That Congress is hereby urged to enact legislation to continue the authority for states to issue qualified tax-exempt private activity bonds and qualified tax-exempt mortgage bonds beyond the scheduled sunset date of December 31, 1989; and be it further

"*Resolved,* That a copy of this resolution be transmitted by the Secretary of the Senate to the Vice President of the United States as presiding officer of the Senate, the Speaker of the House of Representatives and each member of the Nevada Congressional Delegation; and be it further

"*Resolved,* That this resolution becomes effective upon passage and approval."

POM-171. A concurrent resolution adopted by the Legislature of the State of Michigan; to the Committee on Finance:

"HOUSE CONCURRENT RESOLUTION NO. 42

"Whereas in *South Carolina* v. *Baker,* the United States Supreme Court ruled that the United States Congress is free to tax all interest on state and local government bonds. This court case represents a major shift in public policy, and could herald a serious threat to the operations of local and state governmental units; and

"Whereas here in Michigan, as is the case all across the country, tax-exempt municipal bonds represent an important component in the financing of public sector projects. Construction of highways, education, environmental protection efforts, and work on health-related issues represent a sample of the kinds of programs that rely upon capital raised by the sale of state and local government bonds. With the court's ruling, this major element of state and local government is seriously threatened; and

"Whereas despite assurances by some congressional leaders, as it now stands there is no provision to discourage a future Congress from taxing these bonds. In fact, the United States Congress has both limited the use of tax-exempt bonds by states and local governments, and made municipal bonds less attractive to significant groups of purchasers in recent years, thereby driving up the cost of financing public service projects. At a time when the federal government is desperately seeking measures to combat the federal deficit, the potential threat to local and state bond programs is very real. With this decision, the statutory shield protecting interest paid on state and local bonds from federal taxation has been removed. Instead, as articulated by the dissenting opinion filed by Justice O'Connor, "the ability of state and local governments to finance their activities will depend in part on whether Congress voluntarily abstains from" taxing this source of revenue. Clearly, this ruling represents a potential threat to state and local finances: Now, therefore, be it

"*Resolved by the House of Representatives (the Senate concurring),* That we hereby memorialize the Congress of the United States to take steps to safeguard the tax-free status of state and local government bonds: and be it further

"*Resolved,* That copies of this resolution be transmitted to the Speaker of the United States House of Representatives, the President of the United States Senate, and the members of the Michigan congressional delegation."

POM-172. A resolution adopted by the House of Representatives of the State of Illinois; to the Committee on Finance:

HOUSE RESOLUTION 681

"Whereas the members of the 86th General Assembly of the State of Illinois have a significant interest in the U.S. Trade Policy and its impact on Illinois' industry; and

"Whereas the 101st Congress and the President of the United States will decide whether to extend the Steel Voluntary Restraint Agreements and the Steel Import Stabilization Extension Act; and

"Whereas the members of the 86th General Assembly of the State of Illinois believe the competitiveness of Illinois' steel industry and steel-using manufacturers is critical to the State's economic health: Therefore, be it

"*Resolved, by the House of Representatives of the Eighty-sixth General Assembly of the State of Illinois,* That in adopting this resolution, we urge the 101st Congress and the President of the United States to adopt a fair and balanced policy regarding the importation of foreign steel which will maintain a vigorous and healthy steel and steel-using manufacturing industy, and which addresses the need of steel-using manufacturers to import steel products not manufactured in the United States; and be it further

"*Resolved,* That a suitable copy of this preamble and resolution be presented to the President of the United States, to the Speaker of the United States House of Representatives, to the President of the United States Senate and to each member of the Illinois Congressional Delegation."

POM-173. A resolution adopted by the House of Representatives of the State of Illinois; to the Committee on Finance:

"HOUSE RESOLUTION 32

"Whereas the United States Congress amended the Social Security Act in 1974 (Public Law 92-603) to increase retirement benefits to reflect cost-of-living increases; and

"Whereas a technical flaw in the amended benefit formula overcompensated people who retired after 1972; and

"Whereas Congress corrected its error by amending the Social Security Act in 1977 (Public Law 95-216) to bring benefits back to historical levels, and phased in the reduction over 5 years, affecting individuals born between 1917 and 1921, the so-called "notch" years; and

"Whereas the phase-in period has not provided a smooth transition, but has resulted in "notch babies" receiving as much as $3,000 per year less in benefits than people who have similar work histories but were born in 1916; and

"Whereas Members of Congress have for several years tried to pass legislation that would establish a uniform benefit formula to treat those born in the "notch" years more equitably; and

"Whereas the House of Representatives of the State of Illinois feels the continued inequities in benefits received by persons born during the "notch" years undermines public confidence in the Social Security system; therefore, be it.

"*Resolved,* by the House of Representatives of the eighty-sixth general assembly of the State of Illinois, that we affirm our commitment to the equitable distribution of Social Security benefits by urging Congress to enact legislation correcting the "notch" in Social Security benefits paid to those born between 1917 and 1921, and we further urge the President of the United States to sign such proposed legislation so the Social Security system once again provides equal retirement benefits to all deserving individuals; and be it further

"*Resolved,* That a suitable copy of this preamble and resolution be respectfully presented to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives and to every member of our State's Congressional Delegation."

POM-174. A resolution adopted by the House of Representatives of the State of Illinois; to the Committee on Finance:

"HOUSE RESOLUTION 409

"Whereas the federal, state, and local governments all share in the responsibility of building and maintaining the nation's physical and institutional infrastructure and in providing essential services needed to promote the general welfare; and

"Whereas the federal government has steadily reduced its responsibility for infrastructure requirements, and has shifted more and more financial responsibility to states and units of local government; and

"Whereas shifting the tax burden from the national level to state and local governments is an illusory savings for taxpayers and provides no net tax relief; and

"Whereas financing state and local government projects through the issuance of bonds, the interest on which is not taxed by the federal government, is critical to allow states and local governments to exercise the responsibilities entrusted to and expected of them; and

"Whereas in recent years, the U.S. Congress has both limited the use of tax-exempt bonds by states and local governments, and made municipal bonds less attractive to significant groups of purchasers, thereby driving up the cost of financing public service projects; and

"Whereas in 1988, the U.S. Supreme Court overturned a 100-year-old precedent, ruling for the first time that the Constitution does not prohibit the federal government from taxing the interest of state and local government bonds; and

"Whereas the Supreme Court decision places in jeopardy the use of tax-exempt bonds by the more than 85,000 units of state and local government, as Congress seeks new sources of revenue to reduce the federal deficit; and

"Whereas state and local borrowing costs will increase by an estimated 20 to 30 percent if the interest on tax-exempt bonds is subject to federal income tax, and this added burden will be reflected in reductions in public services or by increased state and local taxes; and

"Whereas further restriction on the use of tax-exempt bonds will seriously impair the ability of state and local governments to finance essential services and facilities, including schools, roads, water, sewer, gas, electricity, transportation and other basic functions, to the detriment of all citizens; therefore be it

"*Resolved*, by the House of Representatives of the Eighty-sixth General Assembly of the State of Illinois, that we call upon the Congress and the President of the United States to recognize that the state and local burden of maintaining and expanding the national infrastructure and providing citizens with needed basic governmental services cannot be met without tax-exempt bonds, and to resist all further efforts to reduce the use of such bonds to finance governmental projects; and be it further

"*Resolved*, That a suitable copy of this preamble and resolution be presented to President George Bush and to the President of the Senate and Speaker of the House of Representatives of the United States Congress, and to each member of the Illinois Congressional Delegation."

POM-175. A concurrent resolution adopted by the Legislature of the State of Florida; to the Committee on Finance:

HOUSE CONCURRENT RESOLUTION No. 241

"Whereas the economic uncertainty of the 1980's has resulted in a loss of American jobs, a strain on the American family and a restructuring of many of America's industrial corporations, and

"Whereas one of the leading factors in the creation of economic problems in the United States has been the encroachment of foreign goods and products into the American marketplace, coupled with trade barriers abroad which discourage American exports, and

"Whereas at the present time foreign manufacturers produce 60 percent of the televisions and radios, 45 percent of the bicycles, 26 percent of the steel, 71 percent of the shoes, 48 percent of the microwave ovens, 79 percent of the stuffed toys, 21 percent of the telephone equipment and 44 percent of the luggage sold in the United States, and

"Whereas each manufactured product sold in the United States and produced abroad contributes both to our trade deficit and to the domestic loss of American jobs, and

"Whereas the citizens of Florida and of the United States could have a positive effect upon this corrosive problem by refusing to purchase imported products, and

"Whereas it is fitting and appropriate that the Legislature of the State of Florida support American manufacturers in their efforts to overcome foreign imported products and preserve American jobs, Now, therefore, be it

"Resolved by the House of Representatives of the State of Florida, the Senate Concurring: That the Legislature of the State of Florida hereby declares the week of July 4th, 1989, as "Buy American Week" and urges all citizens of the State of Florida to participate by refraining from purchasing any imported goods during that week and instead urges them to purchase goods manufactured in the United States; and be it further

"*Resolved*, That copies of this resolution be dispatched to the President of the United States, to the President of the United States Senate, to the Speaker of the United States House of Representatives, and to each member of the Florida delegation to the United States Congress."

POM-176. A resolution adopted by the House of Representatives of the State of Florida; to the Committee on Finance:

"HOUSE RESOLUTION 1596

"Whereas the senior population in Florida has made, and continues to make, an outstanding contribution to the economy and quality of life in Florida, and

"Whereas the senior population of Florida has contributed to the Medicare Trust Fund and the Social Security Trust Fund with the understanding that there would be equitable security, and

"Whereas the Catastrophic Medicare Act of 1988 has broken faith with this commitment with members of the senior population by imposing an inequitable 28 percent income tax surcharge on their earnings and by increasing the Medicare Part B premium by almost 100 percent, and

"Whereas the funds derived from the surcharge will serve other disadvantaged groups who may not have made the contribution or experienced the hardship borne by the senior population, and

"Whereas the Catastrophic Medicare Act of 1988 has created undue financial hardships on the senior population, many of whose members are on fixed incomes: Now, therefore, be it

"*Resolved by the Legislature of the State of Florida*, That the Congress of the United States is requested to review the Catastrophic Medicare Act of 1988 (P.L. 100-360) and to restore the equities that existed prior to its enactment; and be it further

"*Resolved*, That Congress, the insurance industry, and the senior population work jointly toward an equitable system of supplemental private insurance coverage to provide for the ineligible Medicare cost; and be it further

"*Resolved*, That the several States of the Union be encouraged to devise a system to provide funds to pay, at a minimum, ineligible Medicare costs for other disadvantaged groups; and be it further

"*Resolved*, That Congress address and enact a system of health care coverage for true catastrophic conditions, including, but not limited to, long-term health care for members of the senior population who are in nursing homes, congregate living facilities, or private homes; and be it further

"*Resolved*, That copies of this memorial be dispatched to the President of the United States, to the President of the United States Senate, to the Speaker of the United States House of Representatives, and to each member of the Florida delegation to the United States Congress."

POM-177. A resolution adopted by the Baltic Nations Commitee of Michigan, Inc. favoring action by the United States to help in the reestablishment of the three independent Baltic Republics of Estonia, Latvia, and Lithuania; to the Committee on Foreign Relations.

POM-178. A resolution adopted by the House of Representatives of the State of Florida; to the Committee on Governmental Affairs.

"HOUSE RESOLUTION 228

"Whereas the United States Navy will be vacating a 3.26-acre facility in Coconut Grove, Dade County, Florida, in the near future, and

"Whereas the Federal Surplus Property Act provides for the donation of surplus federal property to local governments for educational and recreational purposes, and

"Whereas the Department of Defense will be offering the property to other federal agencies and state and local governments before putting it on the market for sale, and

"Whereas the Navy site in Coconut Grove is an ideal location for a working center for the arts because of the site's excellent facilities and central location in Dade County, and

"Whereas the Metro-Dade Cultural Affairs Council has agreed to oversee the operation of the arts center, Now, therefore, be it

"Resolved by the Legislature of the State of Florida: That the United States Government is urged to donate the Naval Reserve Training Center site in Coconut Grove, Dade County, Florida, to Metropolitan Dade County or to the City of Miami to be used as a working center for the arts for all citizens of Dade County, Florida; and be it further

"Resolved, That copies of this memorial be dispatched to the President of the United States, to the President of the United States Senate, to the Speaker of the United States House of Representatives, to each member of the Florida delegation to the United States Congress, and to the mayors of Dade County and the City of Miami, Florida."

POM-179. A joint resolution adopted by the Legislature of the State of Idaho; to the Committee on the Judiciary:

"SENATE JOINT RESOLUTION 101

"Whereas in the First Session of the Congress of the United States of America, begun and held at the city of New York, on Wednesday, the fourth of March, one thou-

sand seven hundred and eighty-nine, it was resolved by a constitutional majority of two-thirds thereof, to submit a proposition to amend the Constitution of the United States, relative to the compensation for the services of the Senators and Representatives of the United States; and

"Whereas pursuant to the provisions of Section 34-2217, Idaho Code, the question of ratifying this proposition was submitted to the electorate of the State of Idaho; and

"Whereas at the general election of November 8, 1988, the electorate of the State of Idaho did agree that the proposition should be ratified by the Legislature of the State of Idaho, Now, therefore, be it

"Resolved by the members of the First Regular Session of the Centennial Idaho Legislature, that the following proposed amendment to the Constitution of the United States, to-wit:

"'ARTICLE —

"'No law varying the compensation for the services of the Senators and Representatives shall take effect until an election of Representatives shall have intervened.'

"Be, and the same is hereby ratified by the Legislature of the State of Idaho."

POM-180. A resolution adopted by the City Council of Toledo, OH urging Congress to propose an amendment to the Constitution of the United States prohibiting desecration of the American flag; to the Committee on the Judiciary:

POM-181. A resolution adopted by the Assembly of the State of Nevada; to the Committee on the Judiciary:

"RESOLUTION No. 157

"Whereas the original support by Nevada for requesting the Congress of the United States to call a Constitutional Convention was based upon the representation that the Convention would be limited to proposing a balanced budget amendment to the Constitution of the United States of America; and

"Whereas the Constitution of the United States does not provide for a Constitutional Convention to be restricted to a single subject; and

"Whereas the Constitution of the United States does not need to be changed in order to balance the budget of the United States, but the existing provisions which limit the expenditures to those purposes authorized by the states when they agreed to the Constitution of the United States need to be enforced; and

"Whereas the adoption by the Nevada Assembly of Senate Joint Resolution No. 8 of the 60th session of the Legislature (File No. 39) requesting the Congress of the United States to call a Constitutional Convention was therefore induced by fraud; and

"Whereas, "Fraud colors everything it touches," and the appropriate remedy is for the Assembly to expunge from its Journal its passage of Senate Joint Resolution No. 8 of the 60th session of the Legislature requesting the Congress of the United States to call a Constitutional Convention; now, therefore, be it

"Resolved by the Assembly of the State of Nevada, That the Chief Clerk of the Assembly draw a black border around the portion of the 1979 Assembly Journal whereby the Assembly passed Senate Joint Resolution No. 8 and write across the face thereof: "Expunged by order of the Assembly this 24th day of June, 1989"; and be it further

"Resolved, That certified copies of this resolution, together with the expunged portion of the Assembly Journal be forwarded to the Governor, the Senate of the State of Nevada, the Speaker of the House of Representatives of the United States, the Vice President of the United States as President of the Senate and the Nevada Congressional Delegation."

POM-182. A concurrent resolution adopted by the Legislature of the State of Louisiana; to the Committee on Finance:

A CONCURRENT RESOLUTION

"Whereas United States Senator Strom Thurmond of the State of South Carolina has introduced in the One Hundred First Congress of the United States Senate Joint Resolution 167 which proposes to amend the Constitution of the United States of America in the following words, to-wit:

"'JOINT RESOLUTION PROPOSING AN AMENDMENT TO THE CONSTITUTION OF THE UNITED STATES TO PROHIBIT THE DESECRATION OF THE FLAG

"*'Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, (two-thirds of each House concurring therein),* That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution if ratified by the legislatures of three-fourths of the several States within seven years after its submission to the States for ratification:

"'ARTICLE —

"'SEC. 1. The Congress of the United States and the States shall have the power to prohibit the desecrating, mutilating, defacing, defiling, or burning of the flag of the United States.'

"Therefore, be it resolved that the Legislature of Louisiana hereby expresses its intent to ratify the foregoing proposed amendment to the Constitution of the United States of America if the proposed amendment is submitted to the legislatures of the several States for ratification; and be it further

"*Resolved,* That a copy of this Resolution be transmitted to the president of the Senate and the speaker of the House of Representatives of the Congress of the United States, to United States Senator Strom Thurmond, and to each member of the Louisiana congressional delegation."

POM-183. A resolution adopted by the Legislature of the State of Minnesota; to the Committee on the Judiciary.

"RESOLUTION No. 6

"Whereas the First Congress of the United States of America, at its first session, sitting in New York, New York, on September 25, 1789, in both houses, by a constitutional majority of two-thirds, has proposed an amendment to the Constitution of the United States of America in the following words:

"*'Resolved by the Senate and House of Representatives of the United States of America in Congress assembled two thirds of both Houses concurring,* That the following (Article) be proposed to the legislatures of the several States, as (an Amendment) to the Constitution of the United States, * * * which (Article), when ratified by three fourths of said legislatures, to be valid to all intents and purposes, as part of the said Constitution, viz;

"'(An Article) in addition to, and Amendment of the Constitution of the United States of America, proposed by Congress, and ratified by the legislatures of the several States, pursuant to the fifth Article of the original Constitution.

"'ARTICLE —

"'No law, varying the compensation for the services of the Senators and Representatives, shall take effect, until an election of Representatives shall have intervened."

"Whereas Article V of the Constitution of the United States allows the ratification of the proposed amendment to the United States Constitution by the legislature of the State of Minnesota; and

"Whereas the proposed amendment to the Constitution of the United States has already been ratified by the legislatures of twenty-seven States: Maryland on December 19, 1789; North Carolina on December 22, 1789; South Carolina on January 19, 1790; Delaware on January 28, 1790; Vermont on November 3, 1791; Virginia on December 15, 1791; Ohio on May 6, 1873; Wyoming on March 3, 1978; Maine on April 27, 1983; Colorado on April 18, 1984; South Dakota on February 21, 1985; New Hampshire on March 7, 1985; Arizona on April 3, 1985; Tennessee on May 23, 1985; Oklahoma on July 10, 1985; New Mexico on February 13, 1986; Indiana on February 19, 1986; Utah on February 25, 1986; Arkansas on March 5, 1987; Montana on March 11, 1987; Connecticut on May 13, 1987; Wisconsin on June 30, 1987; Georgia on February 2, 1988; West Virginia on March 10, 1988; Louisiana on July 6, 1988; Iowa on February 7, 1989; and Idaho on March 28, 1989; and

"Whereas Article V of the Constitution of the United States does not state a time limit on ratification of an amendment submitted by Congress, and the First Congress specifically did not provide a time limit for ratification of the proposed amendment; and

"Whereas the United States Supreme Court has ruled in *Coleman v. Miller,* 307 U.S. 433 (1939), that an amendment to the United States Constitution may be ratified by states at any time, and Congress must then finally decide whether a reasonable time had elapsed since its submission when, in the presence of certified ratifications by three-fourths of the states, the time arrives for the promulgation of the adoption of the amendment; and

"Whereas Section 9 of Article IV of the Constitution of the State of Minnesota provides that "No increase of compensation shall take effect during the period for which the members of the existing House of Representatives may have been elected."; and

"Whereas the Legislature of the State of Minnesota finds that the proposed amendment is still meaningful and needed as part of the United States Constitution; Now, therefore, be it

"*Resolved by the Legislature of the State of Minnesota,* That the foregoing proposed amendment to the Constitution of the United States is ratified by the Legislature of the State of Minnesota; and be it further

"*Resolved,* That the Secretary of State of Minnesota shall transmit certified copies of this memorial to the President and Secretary of the United States Senate, the Speaker and Chief Clerk of the United States House of Representatives, and the Archivist of the United States, National Archives and Records Adminstration."

POM-184. A joint resolution adopted by the Legislature of the State of California; to the Committee on Veterans' Affairs:

"ASSEMBLY JOINT RESOLUTION 35

"Whereas veterans of service in the United States armed forces have sacrificed much for our country, and are equally deserving of those benefits which have been provided by a thankful nation to help them make the often difficult transition from military to civilian life; and

"Whereas the educational benefits provided by the Veterans' Educational Assistance Act of 1984 (Public Law 95-525, Title VII, October 19, 1984), popularly known as the Montgomery GI Bill Act of 1984, reflected the need for education and training in making this transition; and

"Whereas educational and training benefits have always been a wise investment by government because better jobs for veterans makes them taxpayers rather than recipients of public assistance, and veterans particularly require help in readjusting to the civilian work force because military skills and training frequently have no civilian counterpart; and

"Whereas servicemen and servicewomen were assured a 10-year period from separation from service within which to use the educational benefits earned under the Montgomery GI Bill, although the termination of this period on December 31, 1989, means that everyone separating from service after December 31, 1979, has less than a 10-year period within which to use these benefits; and

"Whereas these more recent veterans are no less deserving of needy then their pre-1980 counterparts and all veterans who have earned their GI Bill educational benefits should be afforded sufficient time within which to fully utilize their benefits; now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the California Legislature respectfully memoralizes the President and Congress of the United States to immediately support and enact an amendment to the Veterans' Educational Assistance Act of 1984 (the Montgomery GI Bill Act of 1984) to delete December 31, 1989, as the termination date of eligibility for educational and training benefits under that act and instead provide every veteran a 10-year period from separation from service within which his or her benefits may be used; and be it further

Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KENNEDY from the Committee on Labor and Human Resources, without amendment:

S. 345. A bill to grant employees family and temporary medical leave under certain circumstances, and for other purposes (Rept. No. 101-77).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. RIEGLE, from the Committee on Banking, Housing, and Urban Affairs:

Francis Anthony Keating II, of Oklahoma, to be General Counsel of the Department of Housing and Urban Development.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BRADLEY:

S. 1308. A bill to amend title 39 of the United States Code to grant local governments the discretion to assign mailing addresses to sites within their jurisdiction; to the Committee on Governmental Affairs.

By Mr. D'AMATO:

S. 1309. A bill to temporarily reduce the column 2 rate of duty on certain paper cutting machines; to the Committee on Finance.

By Mr. SIMON (for himself, Mr. KENNEDY, Mr. MITCHELL, Mr. PELL, Mr. REID, Mr. SHELBY, Mr. BURDICK, Mr. KOHL, Mr. DODD, Mr. HEFLIN, Mr. METZENBAUM, Mr. BINGAMAN and Mr. JEFFORDS):

S. 1310. A bill to eliminate illiteracy by the year 2000, to strengthen and coordinate literacy programs, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. ARMSTRONG (for himself, Mr. SYMMS and Mr. BOSCHWITZ):

S. 1311. A bill to amend the Internal Revenue Code of 1986 to provide a 15 percent maximum rate on capital gains for sales or exchanges after the date of enactment of this Act and before 1991, to provide indexing of the bases of capital assets sold or exchanged after 1990, to provide 20 percent maximum rate on capital gains from small business stock, and for other purposes; to the Committee on Finance.

By Mr. KERRY:

S. 1312. A bill to improve the ability of States and localities impacted by narcotics related crime to monitor, track, and prosecute major narcotics offenders, money launderers, and youth gangs involved in narcotics activity by improving intelligence regarding narcotics trafficking and money laundering operations; to the Committee on the Judiciary.

By Mr. PRYOR (for himself, Mr. COCHRAN, Mr. FOWLER, Mr. BUMPERS and Mr. DECONCINI):

S. 1313. A bill to provide that all persons marketing cotton in the United States participate in defraying costs of the research and promotion program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. BOREN (for himself, Mr. PRYOR, Mr. FOWLER and Mr. DASCHLE):

S. 1314. A bill to amend the Honey Research, Promotion, and Consumer Information Act to improve the coordinated program of research, promotion, and consumer education established for honey and honey products, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DECONCINI (for himself and Mr. CRANSTON):

S. 1315. A bill to provide certain administrative authority and requirements for the administration of the Arizona Veterans Memorial Cemetery by the Department of Veterans' Affairs; to the Committee on Veterans' Affairs.

By Mr. BINGAMAN (for himself and Mr. DOMENICI):

S. 1316. A bill to amend the Atomic Energy Act of 1954 to authorize the Assistant Secretary of Energy for Defense Programs to conduct research and development activities related to arms control; to the Committee on Armed Services.

By Mr. D'AMATO:

S.J. Res. 175. Joint resolution designating the week beginning September 17, 1989, as "Emergency Medical Services Week"; to the Committee on the Judiciary.

S.J. Res. 176. Joint resolution to designate September 29, 1989, as "National Siblings of Disabled Persons Day"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BRADLEY:

S. 1308. A bill to amend title 39 of the United States Code to grant local governments the discretion to assign mailing addresses to sites within their jurisdiction; to the Committee on Governmental Affairs.

LOCATABLE ADDRESS LEGISLATION

● Mr. BRADLEY. Mr. President, I rise today to reintroduce the locatable address bill, which would enable municipalities to designate addresses for all the sites within their jurisdictions. Identical legislation is being introduced today in the House by Congressman SAXTON. I believe this legislation will improve emergency services in many small townships in my State and around the country as well as improve the census.

Mr. President, under current law, the Postal Service has the responsibility for determining addresses. The postal address, which is based on postal delivery routes, is often vague and confusing. This creates many problems for communities, particularly those in rural areas. One problem occurs when regional emergency services try to respond to a crisis. There have been cases where emergency personnel were delayed in arriving on the scene of a serious accident because an insufficient home address—such as a road with no house number or a rural delivery address that cuts across municipal lines—was the only address available to the rescue squad. For example, a constituent of mine in Southampton Township, NJ, who was badly burned in an accident did not receive prompt medical attention because emergency personnel had trouble finding the man's home. The postal address was insufficient for the rescue squad to rapidly respond to the call for help.

Mr. President, another problem is that the current system sacrifices comunity identity for the sake of the bu-

reaucratic efficiency of ZIP Codes. In areas where a small town is located near and served by a larger municipality's post office, the name of the larger municipality may serve as the smaller town's "town name" on its mailing address.

I have been contacted by many municipalities in New Jersey suffering from this identity crisis. An example, Mr. President, is Little Egg Harbor Township, which is losing its identity because the entire township has a mailing address of Tuckerton—simply because they are served by a post office in Tuckerton Borough. Another example is the growing township of Branchburg, where there is constant frustration because mail must be addressed to the Borough of Somerville. Along with mail delivery problems, township officials in Branchburg have explained to me their difficulties in communicating to outsiders that they are not part of Somerville, as their postal address implies.

Other examples abound. The south Jersey community of Westampton is served by five larger neighboring towns; imagine, a town of 6,000 has 5 different town names for mail delivery purposes. Need I tell you that confusion abounds? The township of Aberdeen has no ZIP Code and mail is handled by three neighboring towns; local officials have discussed their concerns with me, including the difficulty in planning townshipwide events because, not surprisingly, there is little sense of community.

This legislation would also assist the U.S. Census Bureau's efforts to conduct an accurate census count. As everyone is aware, municipalities may qualify for State or Federal aid programs based on their population. This bill makes it possible for a more accurate town-by-town count to be tallied. In other words, residents would face no confusion as to whether they should fill out the census from using their postal address or actual town name, because the two addresses would be one and the same.

Mr. President, the U.S. Postal Service argues that this legislation would wreak havoc with the Nation's post offices. I disagree. This legislation does not require the establishment of separate post offices or changes in mail delivery routes. It only gives local political units the authority to designate local street and town addresses. And local postmasters would have the ability to review any charges to ensure that they do not duplicate street names or have faulty numbering systems that would hinder mail delivery. We need to give municipalities the right to exercise greater home rule—for the sake of the community and for the safety of its residents. I believe this legislation does just that. Our goal is not to complicate the Postal Service's job, but simply devise a means through which a town's mailing addresses can be the same as the locatable addresses. I urge my colleagues to give consideration to this small but important piece of legislation. I ask unanimous consent that the bill be printed in the RECORD.

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

S. 1308

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 4 of title 39 of the United States Code (relating to the authority of the United States Postal Service) is amended—

(1) by adding at the end thereof the following new section:

"§ 413. Authority of local governments to designate mailing addresses

"(a) Notwithstanding paragraph (1) of subsection (a) of section 404—

"(1) Municipal governments shall have the discretion to designate mailing addresses for all sites within their jurisdiction.

"(2) County governments shall have the discretion to designate mailing addresses for all sites within their jurisdiction that are not within the jurisdiction of any municipal government.

"(b) Whenever a municipal or county government designates a mailing address under paragraph (1) or (2) of subsection (a), such government shall include as part of such mailing address—

"(1) the name of the municipality in which the site of such address is geographically situated; and

"(2) the ZIP code number assigned to the site of such address by the Postal Service.

"(c) A mailing address designated by a municipal or county government under paragraph (1) or (2) of subsection (a) shall become effective 30 days after the Postal Service receives written notice from such government of the designation of such address.

"(d) Notification under subsection (c) of this section shall not become effective unless the postmaster for each post office responsible for delivering mail to any of the proposed addresses reviews and makes recommendations to ensure that non-duplicative street names and faulty numbering systems do not exist within the jurisdiction changing its mailing address to the geographic name of its town.

"(e) For purposes of this section, the term 'county government' includes the government of a parish."; and

(2) by inserting in the table of sections, after the item relating to section 412, the following new item:

"413. Authority of local governments to designate addresses."●

By Mr. SIMON (for himself, Mr. KENNEDY, Mr. MITCHELL, Mr. PELL, Mr. REID, Mr. SHELBY, Mr. BURDICK, Mr. KOHL, Mr. DODD, Mr. HEFLIN, Mr. METZENBAUM, Mr. BINGAMAN, and Mr. JEFFORDS):

S. 1310. A bill to eliminate illiteracy by the year 2000, to strengthen and coordinate literacy programs, and for other purposes; to the Committee on Labor and Human Resources.

COMPREHENSIVE ILLITERACY ELIMINATION ACT

Mr. SIMON. Mr. President, today I am introducing a bill to launch a comprehensive campaign to eliminate illiteracy in America. I would like to thank my good friends and distinguished colleagues, Senators KENNEDY, MITCHELL, PELL, REID, SHELBY, BURDICK, KOHL, HEFLIN, DODD, METZENBAUM, BINGAMAN, and JEFFORDS who are cosponsoring this bill.

Illiteracy is a great weight that keeps this country and millions of our citizens from reaching their fullest potential. People who can't read can't do many of the activities that most of us take for granted—like reading a newspaper, getting a driver's license, filling out a job application, or helping kids with their homework.

Over the years, I have been gratified to have won some small victories in helping these individuals who have sought literacy training. These have included an amendment to the Library Services Construction Act that authorized grants to States to encourage use of neighborhood libraries as literacy tutoring centers, and another amendment to the Domestic Volunteer Service Act that created the VISTA Literacy Corps, a program of volunteers who develop community literacy programs. On average one VISTA volunteer recruits and trains more than 91 community literacy volunteers.

These efforts are clearly steps in the right direction, but they are not enough. Illiteracy is a public enemy, and we need to begin to treat it like one. It must be fought at all levels, by the private and public sector. Federal leadership is key to making this an urgent national priority. I am therefore introducing this bill to launch the first major comprehensive and coordinated Federal effort to greatly expand the resources available to help Americans who cannot read—by setting a national goal to end illiteracy by the year 2000. We can accomplish this by having literacy programs available to all of those seeking services.

THE HIDDEN EDUCATION PROBLEM

We will not remain competitive in the world's marketplace unless we address the basic skills and literacy deficiencies of our present and future work force—and those deficiencies, by anyone's estimate—are massive and rapidly growing.

At least 23 million Americans in this country are considered functionally illiterate, and a total of 45 million adults read with only minimal comprehension. We cannot expect workers who can barely read road signs to contribute to an economy that is increasingly high technology. The majority of American jobs are placing more and new demands on employees. The average American worker today must have skills at the 9th-to-12th grade level,

not the 4th grade level typical after the Second World War.

And the standards keep rising. Our Nation's supply of unskilled and uneducated labor is continually increasing, but the demand for these workers in our economy is declining. Employment in professional and managerial jobs will increase through the turn of the century by 5.2 million, while laborer positions will grow by only 1.3 million jobs. And, only 10 percent of the new jobs created by 1995 will be in manufacturing.

These statistics tell only part of the story on the changing demographics of our future work force. Blacks, Hispanics, Asians, and other races will account for 57 percent of the work force growth from 1986 to the year 2000. If we add all women into this category, females and minorities will account for over 80 percent of the work force growth rate. These are the same groups that have historically been left behind.

The reality is that we have a growing population in this country whom some call an underclass. Minorities, and especially blacks, Hispanics, and persons with disabilities, dominate the pool of unwanted and increasingly unused labor. It is estimated that 44 percent of black and 65 percent of Hispanic adults are functionally illiterate. In Illinois alone, there are an estimated 2 million adults who read below the 6th grade level, 1 million of whom are in Chicago.

In addition, it is possible that as many as 24 million of our fellow Americans have substantial learning disabilities that affect their ability to learn to read. We have no firm estimates, but experts tell us that those with learning disabilities are disproportionately represented among those who drop out of school, remain unemployed, and end up in prison. Some, like football star Dexter Manley, have been pushed through school without being taught to read and only years later face up to the reality of their problem. We need to do a better job of identifying and meeting the special needs of these illiterate Americans.

Perhaps even more importantly, we know that illiterate adults cannot read to their children or help them with their schoolwork. As I wrote in my book "Let's Put America Back to Work," illiteracy perpetuates the generation-to-generation pattern of too many citizens poorly prepared to help themselves and our economy.

We also know that illiteracy has been linked to crime, as 75 percent of adult prison inmates are functionally illiterate, and 62 percent are high school dropouts. And American taxpayers pay the price—it costs $14,000 a year to keep a prisoner in jail, yet only $4,200 a year to send a child to school. Pennsylvania State University estimates that the cost to America of failing to educate and train disadvantaged young men and women for employment is $225 billion each year—in lost productivity, welfare payments and expenses related to crime prevention and the criminal justice system.

Fighting illiteracy is, therefore, not just an issue of fairness and equity—it is an issue of economics. We simply cannot expect people who are unable to read to adequately function in an era of rapid change and technological advancement.

A NEW AND COMPREHENSIVE COMMITMENT

There are a number of existing Federal literacy programs, but resources are scarce. The only major Federal program that exists to reduce illiteracy is the Adult Basic Education Act and it serves only 10 percent of those estimated to be in need. Across the country, all the public and private literacy programs combined provide services to about 19 percent of those who need help. The Federal Government allocates less than $300 million each year to provide basic literacy skills to adults in this country—this is the equivalent of less than $10 per year for each American adult who does not possess a high school diploma.

Furthermore, the programs that do exist are not coordinated, and are delivered in a fragmented fashion. We don't know enough about what works most effectively in literacy programs, and what we do know is not well disseminated.

To address these problems, I am proposing the Illiteracy Elimination Act of 1989 to begin a national, comprehensive and unified effort to wipe out illiteracy. This legislation will establish a cabinet level council to coordinate literacy efforts at the highest Federal level, and will create a national center on literacy to fund research and dissemination of information on the literacy problem.

It will expand existing effective programs—such as the Library Literacy Program and the VISTA Literacy Corps—and will provide new focus as well as increased funding to programs such as the Adult Basic Education Act.

It will also increase funds for the workplace literacy programs and authorize a challenge grant program to expand and increase public/private sector partnerships in fighting illiteracy.

Eric Burch, a VISTA literacy volunteer, describes literacy as "self-sufficiency and hope—the shortest distance to individual social and economic development." He is absolutely right, and I am convinced that the American people are ready to tackle the problem of illiteracy head on.

Mr. President, I ask unanimous consent that the bill, the following summary of the bill, and the section-by-section analysis, be inserted in the RECORD along with the statements of Senators MITCHELL and KENNEDY.

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

S. 1310

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 "Comprehensive Illiteracy Elimination Act of 1989".

SEC. 2. FINDINGS.

The Congress finds that—

(1) There are between 23 and 27 million adult Americans who are functionally illiterate, a number which is increasing due to disproportionately high drop out rates in the public schools among minorities;

(2) the Adult Education Act is the only major program to reduce illiteracy in the United States and serves only 10 percent of eligible participants, while all public and private literacy programs serve only about 19 percent of those who need help;

(3) illiteracy is a problem of intergenerational nature;

(4) as many as 50 million workers may have to be trained or retrained between now and the year 2000; and

(5) the supply of unskilled workers is increasing and the demand for unskilled labor is decreasing.

SEC. 3. DEFINITION.

As used in this Act the term "literacy" means the knowledge and skills necessary to communicate, including the reading, writing, basic skills, speaking, and listening skills normally associated with the ability to function at a level greater than the 8th grade level.

TITLE I—LITERACY COORDINATION

SEC. 101. SHORT TITLE.

This title may be cited as the Literacy Coordination, Research, and Dissemination Act of 1989.

SEC. 102. CABINET COUNCIL FOR LITERACY COORDINATION.

(a) ESTABLISHMENT.—There is established the Cabinet Council for Literacy Coordination (hereafter in this title referred to as the "Council").

(b) COMPOSITION.—(1) The Council shall consist of—

(A) the Secretary of Education (hereafter in this title referred to as the "Secretary"), who shall serve as Chairman;

(B) the Director of the ACTION Agency;

(C) the Secretary of Health and Human Services;

(D) the Secretary of Labor;

(E) the Attorney General of the United States;

(F) the Director of the Office of Personnel Management; and

(G) such other officers of the Federal Government as may be designated by the President of the United States or the Chairman of the Council to serve whenever matters within the jurisdiction of the agency headed by such an officer are to be considered by the Council.

(2) Each member shall be appointed for as long as such member serves as the head of the appropriate agency.

(3) The Chairman of the Council shall be the President's principal advisor on literacy.

(c) QUORUM.—One more than one-half of the members of the Council shall constitute a quorum for the purpose of transmitting recommendations and proposals to the President, but a lesser number may meet for other purposes.

(d) MEETINGS.—The Council shall meet at least 4 times each year. When a Council member is unable to attend, the Council member shall appoint an appropriate Assistant Secretary or an equivalent individual from the department or agency of the member to represent the member for that meeting.

(e) DUTIES OF THE COUNCIL.—The Council shall—

(1) devise, coordinate, and monitor existing and other government initiatives to—

(A) facilitate the elimination of illiteracy, and

(B) integrate the resources of literacy programs across various departments or agencies of the Federal Government;

(2) disseminate information on existing Federal, State, local, and private sector literacy efforts;

(3) develop models for the effective education of illiterate adults and children, including projects directed toward—

(A) effective intergenerational education of illiterate adults and their children; and

(B) improving curriculum, software, and other materials for use in literacy education;

(4) set specific and measurable goals for the Federal effort in the education of illiterate adults, children, and their families so that all appropriate Federal agencies have specific objectives and strategies for meeting such goals;

(5) track progress on meeting the goals and objectives set forth in paragraph (4);

(6) issue a biennial report to Congress and the President on the progress made by the Federal Government and the Nation toward enhancing the literacy skills of its people, including recommendations for legislation required to improve and expand Federal literacy programs;

(7) develop model systems for implementing and coordinating Federal literacy programs which can be replicated at the State and local level; and

(8) review and make proposals for uniformity among reporting requirements, standards for outcomes, performance measures, and program effectiveness included in various federal programs.

(f) AVAILABILITY OF FUNDS; PERSONNEL.—The Department of Education, the Department of Health and Human Services, the Department of Justice, the Department of Labor, the Office of Personnel Management, and each department participating in the Council shall contribute a total of $100,000 in salaries, expenses and personnel to support the administrative expenses of the Council. The ACTION Agency and each agency participating in the Council shall contribute at least $20,000 in salaries, expenses and personnel to support the administrative needs of the Council. The administrative needs of the Council may include staffing, consultants, supplies and travel.

SEC. 102. OFFICE ON LITERACY.

(a) DIRECTOR.—Section 202 of the Department of Education Organization Act is amended by adding the following new subsection at the end thereof:

"(h) There shall be in the Department a Director of the Office of Literacy.".

(b) OFFICE ESTABLISHED.—Section 206 of the Department of Education Organization Act is amended by inserting the following new section at the end thereof:

"OFFICE ON LITERACY

"SEC. 206A. There shall be in the Department an Office on Literacy to be administered by the Director of the Office on Literacy appointed under section 202(h) of this Act. The Director shall be appointed by the Secretary and shall be compensated at a rate determined by the Secretary, which in no event shall be less than the annual rate of basic pay prescribed for grade GS-15 of the General Schedule under section 5332 of title 5, United States Code. The Director shall coordinate the administration of literacy programs within the Department including literacy programs conducted pursuant to—

"(1) chapter 1 of title I of the Elementary and Secondary Education Act,

"(2) the Bilingual Education Act,

"(3) the Library Services Construction Act,

"(4) the Work-Study Programs set forth in part C of title IV of the Higher Education Act of 1965,

"(5) the Fund for the Improvement of Post Secondary Education,

"(6) the Adult Education Act,

"(7) the Even Start Programs Operated By Local Educational Agencies pursuant of part B of title I of the Elementary and Secondary Education Act of 1965, and

"(9) the Stewart B. McKinney Homeless Assistance Act,

The Director shall work with the Cabinet Council for Literacy to coordinate the related activities and programs of other Federal departments and agencies. The Director shall report directly to the Secretary and shall perform such additional functions as the Secretary may prescribe.".

SEC. 103. NATIONAL CENTER FOR LITERACY.

(a) PURPOSE.—It is the purpose of this part to enhance the national effort to eliminate illiteracy by the year 2000 by improving research, development and information dissemination through a national research center.

(b) FINDINGS.—The Congress finds—

(1) far too little is known about how to improve access to, and enhance the effectiveness of, adult literacy programs, assessment tools, and evaluation efforts;

(2) there is no reliable nor central source of information about the existing knowledge base in the area of literacy;

(3) a National Center for Literacy would provide a national focal point for research, technical assistance and research dissemination, policy analysis, and program evaluation in the area of literacy; and

(4) such a National Center would facilitate a pooling of ideas and expertise across fragmented programs and research efforts.

(c) PROGRAM AUTHORIZED.—(1) The Secretary shall, through the Office on Literacy, make a grant to establish and operate a nonprofit National Center for Literacy (hereafter in this section referred to as the "Center"). Such grant shall be awarded on a competitive basis and shall be for a period not to exceed 5 years, and is renewable.

(2) The Center shall be composed of—

(A) a director of the Center (hereafter in this section referred to as the "Director");

(B) experts in the literacy field;

(C) directors and supervisors for each of the major functions of the Center set forth in paragraphs (1) through (4) of subsection (e); and

(D) professional and support staff.

(3) The Secretary, in consultation with the Cabinet Council on Literacy, shall select a panel composed of individuals who are not Federal employees and who are recognized nationally as experts in adult and child literacy to assist in the selection of a grant recipient under this section.

(4) The Center shall have the ability to enter into contracts, joint ventures, and form cooperative relationships with State and local agencies, educational entities, business and labor organizations, and service providers, consistent with the purposes of this Act and the functions of the Center. All contracts shall be made available to the Advisory Committee for review and comment.

(5) The Center may accept, but not solicit, private contributions, foundation grants, and other grants to support the research and dissemination activities of the Center.

(d) APPLICATION.—Each organization or entity desiring a grant under this section shall submit an application at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(e) USE OF FUNDS.—Funds provided pursuant to this section may be used by the Center to—

(1) conduct basic and applied research on—

(A) the process by which children and adults learn to read and develop basic skills,

(B) problems facing the learning disabled,

(C) developing instructional techniques and assessment tools, and

(D) the use of technology and other studies which would advance the literacy knowledge base, and which would not duplicate the work of other research services but would build on such research efforts.

(2) provide technical assistance including—

(A) tracking the development of literacy and basic skills programs;

(B) disseminating research findings;

(C) disseminating information regarding exemplary program models, curricula, and training models; and

(D) the use of technology and materials development;

(3) act as a clearinghouse in providing information on literacy programs, teaching and assessment methods, and evaluation tools, to Federal, State, and local agencies, as well as to businesses, labor organizations, and voluntary groups.

(4) conduct policy analysis and program evaluation activities, including—

(A) the development of a data base on literacy programs;

(B) the development of assessment tools;

(C) evaluation of progress made toward national goals;

(D) developing and providing information to facilitate national planning and policy development in adult and child literacy; and

(5) conduct a model demonstration program, in consultation with State educational agencies, to demonstrate innovative approaches to remediate, train, retrain and place persons who do not complete secondary school or possess a general equivalency diploma.

(f) ADVISORY COMMITTEE.—(1) The Secretary, in consultation with the Cabinet Council on Literacy Coordination shall establish an advisory committee. Such advisory committee shall advise the Secretary and the Director with regarding—

(A) policy issues regarding the administration of the Center; and

(B) the selection and operation of major research and demonstration projects and activities of the Center.

(2) The advisory committee shall meet at the call of the Secretary at least semiannually at the site of the Center.

(3)(A) The advisory committee shall be composed of 15 members of which—

(i) 4 members shall be from local and State government;

(ii) 6 members shall be from the education, labor, and business communities; and

(iii) 5 members shall be from national literacy organizations and volunteer organizations, service providers, and community-based organizations.

(B) The Chairperson of the committee shall be elected by the members of the committee.

(g) EVALUATION.—The Director of the Center shall report annually to the Congress and to the Cabinet Council for Literacy Coordination on progress made in achieving national literacy goals. This report shall include the results of a survey of Federal, State, and local public, as well as private sector, literacy programs.

(h) AUTHORIZATION OF APPROPRIATIONS.—(1) There are authorized to be appropriated $10,000,000 for fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992, 1993, 1994, and 1995 to carry out the provisions of this section.

(2) Of the amount authorized to be appropriated pursuant to paragraph (1) for each fiscal year, not more than 5 percent of such funds shall be used to conduct the model demonstration program described in section 103(e)(5).

SEC. 104. STATE LITERACY RESOURCE CENTER.

(a) PURPOSE.—It is the purpose of this section to assist State and local public and private nonprofit efforts to eliminate illiteracy through a new program of State literacy resource center grants to—

(1) stimulate the coordination of literacy services,

(2) enhance the capacity of State and local organizations to provide literacy services, and

(3) facilitate the sharing of literacy resources within the State.

(b) PROGRAM AUTHORIZED.—(1) The Secretary is authorized to make grants to pay the Federal share of the costs of establishing and operating State literacy resource centers. Such grants shall be awarded for a period not to exceed 3 years and shall not exceed $500,000.

(2) Each State may contract on a competitive basis with a volunteer organization, a community-based organization or other nonprofit entity to operate a State literacy resource center.

(3) No State may receive financial assistance pursuant to the provisions of this section for more than 3 fiscal years.

(c) USES OF FUNDS.—Funds provided pursuant to this section may be used for—

(1) the development of innovative approaches to the coordination of literacy activities within the State and with the Federal Government;

(2) activities related to improving access to literacy services in the State through the promotion of technology utilization, the provision of technical assistance to service providers, the dissemination of information among literacy service providers, and other activities which enhance the delivery of literacy services.

(3) the establishment of a State literacy resource center to—

(A) serve as a link between State-based service providers and the National Center for Literacy for the purposes of disseminating research and other information generated by the National Center for Literacy to service providers;

(B) upgrade the system of diffusion and adoption of state-of-the-art teaching methods;

(C) assist in coordinating the delivery of literacy services by public and private agencies;

(D) encourage government and industry partnerships;

(E) encourage innovation and experimentation in literacy services;

(F) provide technical and policy assistance to State and local governments and to community-based literacy organizations to improve literacy policy and programs; and

(G) train adult literacy instructors in—

(i) selecting and making the most effective use of instructional technologies including—

(I) computer assisted instruction,

(II) video tapes,

(III) interactive systems, and

(IV) data link systems; and

(ii) the generation of instructional materials to make use of such instructional technologies.

(d) APPLICATION.—Each State desiring a grant under this section shall submit an application to the Secretary, at such time, in such manner and containing or accompanied by such information as the Secretary may reasonably require. Each such application shall—

(1) describe the activities and services for which assistance is sought;

(2) include a statewide plan with measurable goals for the elimination of illiteracy within the State, including an implementation plan describing strategies to facilitate the maximum participation of community-based organizations, volunteer organizations and other nongovernmental entities in statewide literacy efforts; and

(3) contain assurances that the State will use funds provided pursuant to this section in accordance with the provisions of this section.

(e) PAYMENTS; FEDERAL SHARE.—(1) The Secretary shall pay to each State having an application approved pursuant to subsection (d), the Federal share of the cost of the activities described in the application.

(2) The Federal share—

(A) for the first year in which the State receives funds under this title shall not exceed 75 percent;

(B) for the second such year shall not exceed 50 percent; and

(C) for the third such year shall not exceed 25 percent.

(f) NON-FEDERAL SHARE.—(1) The non-Federal share of payments under this section may be in cash or in kind, fairly evaluated, including plant, equipment, or services.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $15,000,000 for fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992, 1993, 1994, and 1995.

TITLE II—WORKFORCE LITERACY

SEC. 201. SHORT TITLE.

This title may be cited as the "Workforce Literacy Act of 1989".

SEC. 202. STATEMENT OF PURPOSE.

It is the purpose of this title—

(1) to provide financial assistance to improve educational opportunities for adults who lack the level of literacy skills requisite to effective citizenship and productive employment;

(2) to expand and improve the current system for delivering and accessing adult education services, including the use of community based organizations, and including the delivery of such services to educationally disadvantaged adults; and

(3) to encourage the expansion of adult education teacher training programs.

SEC. 203. ADULT EDUCATION AMENDMENTS.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 313(a) of the Adult Education Act is amended by—

(1) inserting a (1) before "There";

(2) striking "and such sums as may be necessary for each succeeding fiscal year through fiscal year 1993"; and

(3) inserting at the end thereof the following new paragraphs:

"(2) Except as provided in paragraph 3, there are authorized to be appropriated for each of fiscal years 1991 through 1995 an amount equal to the appropriations for the previous fiscal year plus $100,000,000. Of the additional amount authorized to be appropriated for each fiscal year in the preceding sentence, 15 percent shall be used for the purpose of training professional teachers, volunteers, and administrators, with particular emphasis on—

"(A) the training of minority teachers; and

"(B) the training of teachers to recognize and more effectively serve illiterate individuals with learning disabilities, and with a reading ability below the fifth grade level.

"(3) If the Secretary determines in any fiscal year that a majority of the illiterate population assisted under this title has been served, the amount authorized to be appropriated for each of the succeeding fiscal years listed in paragraph (1) shall be equal to the amount authorized to be appropriated for the fiscal year in which the determination is made.".

(b) USE OF FUNDS; LOCAL APPLICATIONS.—Section 322 of the Adult Education Act is amended—

(1) in the second sentence of subsection (a)(1) by striking "may" and inserting "shall";

(2) at the end of subsection (a)(1) by inserting the following new sentence: "Each State educational agency receiving financial assistance under this subpart shall assure direct and equitable access to Federal funds to local educational agencies, public or private nonprofit agencies, community-based organizations, and institutions which serve educationally disadvantaged adults.";

(3) at the end of subsection (a)(4)(A), strike the period and insert: "and those who will serve adults with a reading ability below the fifth grade level."; and

(4) in subsection (b)(2) by striking "20 percent" and inserting "25 percent".

(c) ACCOUNTABILITY MEASURES.—Section 331(c) of the Adult Education Act is amended to read as follows:

"(c) LIMITATION ON STATE ADMINISTRATIVE COSTS.—Effective for fiscal years beginning after September 30, 1990, a State educational agency may use no more than—

"(1) five percent of the State's grant or $50,000, whichever is greater, to pay the cost of its administration of the State's program; and

"(2) an additional one percent of the State's grant on program improvement, including increased accountability measures, subject to the approval of the Secretary.".

(d) STATE PLAN.—Section 342(c) of the Adult Education Act, is amended—

(1) by striking "and" at the end of paragraph (12);

(2) by striking the period at the end of paragraph (13) and inserting in lieu thereof a semicolon; and

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

"(14) report the amount of administrative funds spent on program improvements; and

"(15) contain assurances that financial assistance provided pursuant to this title shall be used to assist and expand existing programs, and to develop new programs for adults whose lack of basic skills—

"(1) renders such adults unemployable;

"(2) keeps such adults from functioning independently in society; and

"(3) severely reduces the ability of such adults to positively impact the literacy of their children.".

(e) BUSINESS, INDUSTRY, LABOR, AND EDUCATION PARTNERSHIPS FOR WORKPLACE LITERACY.—Section 371 of the Adult Education Act is amended—

(1) in subsection (a)(1) by inserting ", in consultation with the Secretary of Labor," after Secretary; and

(2) in subsection (a)(4) by redesignating subparagraphs (C), (D), and (E) as (D), (E), and (F) respectively, and inserting after subparagraph (B) the following:

"(C) contain an assurance that no less than 10 percent of funds received under this section shall be used for research, teacher training (including training regarding the identification and teaching of learning disabled individuals) and technical assistance, (including technical assistance) in implementing programs."

(3) in subparagraph (c) by striking paragraph (1) and inserting in lieu thereof the following:

"(1) There are authorized to be appropriated $50,000,000 for each of the fiscal years 1990 and 1991, and such sums as may be necessary for each of the succeeding fiscal years 1992, 1993, 1994, and 1995 to carry out the provisions of this section.".

SEC. 204. GAO STUDY.

The Comptroller General of the United States shall update the 1975 study entitled "The Adult Basic Education Program: Progress in Reducing Illiteracy and Improvements Needed" within 18 months of the date of enactment of this Act.

TITLE III—FAMILIES FOR LITERACY

SEC. 301. SHORT TITLE.

This title may be cited as the Families for Literacy Act of 1989.

SEC. 302. STATEMENT OF PURPOSE.

The purpose of this title is to break the intergenerational cycle of illiteracy by improving the parenting and basic skills of adults in order to—

(1) foster learning among the children of illiterate adults;

(2) foster family-oriented approaches to reducing illiteracy; and

(3) address illiteracy through the social environment in which children are born and raised.

SEC. 303. EVEN START.

Section 1059 of the Elementary and Secondary Education Act is amended to read as follows:

"SEC. 1059. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $50,000,000 for each of the fiscal years 1990 and 1991, and such sums as may be necessary for each of the fiscal years 1992, 1993, 1994, and 1995 to carry out the provisions of this part.

SEC. 304. FAMILIES FOR LITERACY PROGRAM.

(a) PURPOSE.—The purpose of this section is to provide assistance to nonprofit entities, or consortia of businesses, nonprofit entities, and local educational agencies to initiate education programs and services for children aged 3 and under and their parents to enhance the early literacy developmental process of such children, particularly targeting functionally illiterate parents and their children to enhance the literacy building capabilities of such parents and their children.

(b) GRANTS AUTHORIZED.—(1) The Secretary is authorized, in accordance with the provisions of this section, to make a total of 10 demonstration grants to nonprofit entities, or consortia of businesses, nonprofit entities, and local educational agencies to pay 80 percent of the cost of establishing intergenerational learning programs and services for children aged 3 and under and their parents, in order to monitor, and improve the early developmental progress of the children, especially in literacy developmental skills.

(2) In awarding grants under this section, the Secretary shall give priority to applicants whose programs serve hard-to-serve populations, including—

(A) teenaged parents;

(B) illiterate parents;

(C) economically disadvantaged parents; and

(D) unemployed parents; and

(E) non-English speaking parents.

(c) APPLICATION.—Each nonprofit entity, or consortia of businesses, nonprofit entities, and local educational agencies desiring a demonstration grant under this section shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require. Each such application shall—

(1) describe the activities and services for which assistance is sought; and

(2) contain such information and assurances as the Secretary may require to ensure compliance with the requirements of this section.

(d) STAFF TEAMS.—(1) Each nonprofit entity, or consortia of businesses, nonprofit entities, and local educational agencies receiving assistance pursuant to this part shall employ and train staff teams of early childhood educators, literacy educators or parent educators to provide—

(A) literacy education for adults;

(B) parenting education for adults;

(C) prereading and other developmental skills for children aged 3 and under;

(D) structured time for parents to use newly acquired skills with their children; and

(E) referral services for families, including referrals for drug rehabilitation and counseling.

(2) Each nonprofit entity or consortia of businesses, nonprofit entities, or local educational agencies receiving assistance pursuant to this section shall employ, select, and provide training for, staff teams on the basis of—

(A) experience in working with children and families;

(B) a bachelor's degree in child development, psychology, or primary education;

(C) experience in social work, child care, pediatrics, family counseling; and

(D) experience in literacy training.

(e) COMMUNITY ADVISORY COUNCILS.—(1) Each nonprofit entity, or consortia of businesses, nonprofit entities, and local educational agencies which receives a grant under this section shall establish community advisory councils to provide—

(A) outreach services, including outreach services to non-English speaking parents,

(B) notification to local family courts of the existence of the Parents as Teachers Program,

(C) family referral services,

(D) public relations services, and

(E) recruiting drives.

(2) The community advisory council established under paragraph (1) shall be staffed by volunteers. Volunteers may refer individuals into the Families for Literacy Program and from the Families for Literacy Program into services such as—

(A) the Special Supplemental Food Program for Women, Infants, and Children;

(B) well-baby clinics;

(C) literacy programs;

(D) hearing specialists; and

(E) child abuse services.

(f) NON-FEDERAL SHARE.—(1) The portion of the costs described in subsection (b) that are not paid from a grant provided under this section may be paid in cash or in kind fairly evaluated, including equipment or services.

(2) Each nonprofit entity, or consortia of businesses, nonprofit entities, and local educational agencies receiving assistance pursuant to this Act may use funds received under chapter 2 of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988 to pay the portion of the costs described in subsection (b) that are not paid from a grant provided under this section.

(g) DEFINITIONS.—As used in this section—

(1) The term "local educational agency" has the same meaning given that term in section 1471 of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Act of 1988.

(2) The term "parent" includes a legal guardian or other person standing in loco parentis.

(3) The term "nonprofit entity" includes community-based organizations, public service agencies, and child welfare agencies.

(h) FAMILY LITERACY PUBLIC BROADCASTING PROGRAM.—The Secretary is authorized to enter into a contract with the Corporation for Public Broadcasting to produce and disseminate a family literacy program which would assist parents in improving their knowledge and skills regarding early childhood education, language development, and literacy.

(i) AUTHORIZATION OF APPROPRIATIONS.—(1) Except as provided in paragraph 2, there are authorized to be appropriated $10,000,000 for fiscal year 1991 and such sums as may be necessary in each of fiscal years 1992, 1993, 1994 and 1995 to carry out the provisions of this section.

(2) There are authorized to be appropriated $2,000,000 for fiscal year 1991 to carry out the provisions of subsection (h).

TITLE IV—BOOKS FOR FAMILIES

SEC. 401. SHORT TITLE.

This title may be cited as the "Books for Families Literacy Act of 1989".

SEC. 402. STATEMENT OF PURPOSE.

It is the purpose of this title to enhance the capacity of State and local public libraries to combat illiteracy and to improve the quality of public literacy services as such services relate to overcoming the condition of illiteracy in the Nation.

SEC. 403. INEXPENSIVE BOOK DISTRIBUTION PROGRAM.

(a) PRIORITY.—Section 1563(b) is amended by—

(1) striking "and" at the end of paragraph (2);

(2) by redesignating paragraph (3) as paragraph (4); and

(3) by adding the following new paragraph after paragraph (2):

"(3) beginning in fiscal year 1990 and each fiscal year thereafter, the contractor will

give priority to programs and projects which target rural and urban areas with large concentrations of economically disadvantaged children and students; and".

(b) STUDY.—The Contractor shall report to the Department of Education annually regarding the number and description of individuals served under subsection (a)(3).

SEC. 404. LIBRARY LITERACY PROGRAMS.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 4(a) of the Library Services and Construction Act is amended by striking paragraph (5) and inserting in lieu thereof the following new paragraphs:

"(5) for the purpose of making grants as provided in title VI (other than section 603), there are authorized to be appropriated $10,000,000 for fiscal year 1990, $11,000,000 for fiscal year 1991, $12,000,000 for fiscal year 1992, $13,000,000 for fiscal year 1993, $14,000,000 for fiscal year 1994, and $15,000,000 for fiscal year 1995;

"(6) for the purpose of making grants as provided in section 602, there are authorized to be appropriated $2,000,000 for fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992, 1993, 1994 and 1995; and

"(7) for the purpose of making grants as provided in section 603 there are authorized to be appropriated $2,000,000 for fiscal year 1991 and such sums as may be necessary for each of the succeeding fiscal years 1992, 1993, 1994, and 1995.".

(c) BOOKS, TAPES, AND COMPUTER SOFTWARE.—Section 601(c)(2) of the Library Services Construction Act is amended by inserting after "programs" a comma and "including books, tapes, and computer software".

SEC. 405. STATE AND LOCAL PUBLIC LIBRARY GRANTS.

Title VI of the Library Services Construction Act is amended by inserting the following new sections at the end thereof:

"SEC. 602. MODEL LIBRARY LITERACY CENTERS.

"(a) STATEMENT OF PURPOSE.—It is the purpose of this section to provide for a library literacy demonstration grant program to help overcome illiteracy throughout the Nation by establishing model library literacy centers with resources and facilities to assist those in need of literacy training and access to reading materials.

"(b) GRANTS AUTHORIZED.—(1) The Secretary is authorized to carry out a program of grants to State and local public libraries to establish exemplary model programs.

"(2) Grants made pursuant to this section may not exceed $200,000 in any fiscal year.

"(3) Each State or local public library receiving assistance pursuant to this section may receive 1 grant per fiscal year for a maximum of 5 fiscal years.

"(4) The Secretary may reserve 2 percent of the funds appropriated pursuant to the authority of section 4(a)(6) for the administrative costs of the grant program set forth in this section.

"(5) The Secretary shall select an expert in library literacy activities to administer the grant program set forth in this section.

"(c) APPLICATION.—(1) Each State or local public library desiring a grant under this section shall submit an application at such time, in such manner, and accompanied by such information as the Secretary may reasonably require. Each such application shall—

"(A) describe the activities and services for which assistance is sought;

"(B) describe an innovative approach to public library literacy activities;

"(C) substantiate the potential as to how the library profession will benefit from the demonstration grant and the national significance of the demonstration grant;

"(D) provide a detailed description of how the demonstration grant will impact on illiteracy within the applicant's community;

"(E) set forth any special evidence for the need for such a demonstration grant;

"(F) describe how the results of the demonstration grant will be evaluated and disseminated;

"(G) indicate the potential of the demonstration grant for achieving replicability and for serving as a viable model; and

"(H) provide evidence that the demonstration grant—

"(i) was developed in consultation with the State library agency and with leading experts in adult literacy, and

"(ii) takes into account literacy research.

"(2) The Secretary, in consultation with the peer review panel established pursuant to subsection (d), shall develop regulations regarding the criteria for awarding grants and approving applications under this section.

"(d) PEER REVIEW PANEL.—The Secretary shall establish a peer review panel to assist the Secretary in establishing criteria for awarding grants and approving applications under this section. The Secretary may appoint such technical experts and consultants to the peer review panel as may be useful in carrying out the functions of the peer review panel.

"SEC. 603. INEXPENSIVE BOOK DISTRIBUTION PROGRAM.

"(a) IN GENERAL.—The Secretary is authorized to contract with Reading is Fundamental, a private nonprofit organization which motivates children to learn to read, to support and promote the establishment of reading motivation programs which include the distribution of inexpensive books. Such contract shall give priority to programs and projects which target rural and urban areas with large concentrations of economically disadvantaged children and students.

"(b) USE OF FUNDS.—The contract authorized pursuant to paragraph (1) shall provide that Reading is Fundamental use the funds provided pursuant to this title to—

"(1) increase access to children's books for parents of newborns through children aged 5; and

"(2) develop motivational materials to reach parents most disconnected from the education community, by making children's books available in such places as welfare offices, health facilities, homeless shelters, migrant labor facilities, public housing developments, and local offices which administer the Supplemental Food Program established pursuant to section 17 of the Child Nutrition Act of 1966.

TITLE V—STUDENTS FOR LITERACY

SEC. 501. SHORT TITLE.

This title may be cited as the "Students for Literacy Act of 1989".

SEC. 502. STATEMENT OF PURPOSE.

It is the purpose of this title to promote the development, location, and placement of community service jobs for students in the area of literacy tutoring, outreach, and training under the Work-Study Programs set forth in part C of title IV of the Higher Education Act of 1965.

SEC. 503. STUDENT LITERACY CORPS.

Section 146 of the Higher Education Act of 1965 is amended to read as follows:

"SEC. 146. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out the provisions of this part $10,000,000 for fiscal year 1990, $11,000,000 for fiscal year 1991, $12,000,000 for fiscal year 1992, $13,000,000 for fiscal year 1993, $14,000,000 for fiscal year 1994, and $15,000,000 for fiscal year 1995.".

SEC. 504. WORK-STUDY PROGRAMS.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 441(b) of the Higher Education Act of 1965 is amended to read as follows:

"(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this part $656,000,000 for fiscal year 1991, $676,000,000 for fiscal year 1992, $696,000,000 for fiscal year 1993, $716,000,000 for fiscal year 1994, and $736,000,000 for fiscal year 1995.".

(b) CONTENTS OF AGREEMENT.—Section 443(b) of the Higher Education Act is amended—

(1) in paragraph (2)(A) by inserting after the comma the following: "except that the provisions of this subparagraph shall not apply to literacy training programs pursuant to section 447(b)(2)"; and

(2) in paragraph (5) by—

(A) striking "and" at the end of subparagraph (A);

(B) inserting "and" at the end of subparagraph (B); and

(C) inserting the following new subparagraph at the end thereof:

"(C) the Federal share of the compensation of students employed in the literacy work-study training programs described in section 447(b)(2) shall be 100 percent;".

(c) JOB LOCATION AND DEVELOPMENT PROGRAMS.—Section 446(a) of the Higher Education Act is amended by inserting the following new paragraph at the end thereof:

"(3) The provisions of paragraph (1)(B) shall not apply to institutions of higher education which enter into agreements with the Secretary to use funds provided pursuant to section 442 for the creation and placement of literacy jobs for students.".

TITLE VI—VOLUNTEERS FOR LITERACY

SEC. 601. SHORT TITLE.

This title may be cited as the "Volunteers for Literacy Act of 1989".

SEC. 602. STATEMENT OF PURPOSE.

It is the purpose of this title to develop, strengthen, supplement, and expand the capacity of both public and private agencies and organizations to combat illiteracy through the use of volunteers.

SEC. 603. VISTA LITERACY CORPS.

Section 109(g)(1) of the Domestic Volunteer Service Act of 1973 (hereafter in this title referred to as the "Act") is amended to read as follows:

"(1) In any fiscal year in which the funds appropriated pursuant to the authority of section 501(a)(2) do not exceed $7,000,000, funds made available pursuant to the authority of section 501(a)(2) shall be used to supplement and not to supplant the level of services provided under part A in fiscal year 1989 to address the problem of illiteracy.".

SEC. 604. SERVICE-LEARNING LITERACY PROGRAMS.

Part B of title I of the Act is amended by inserting after section 114 the following new section:

"SERVICE-LEARNING LITERACY PROGRAMS

"SEC. 115. (a)(1) The Director is authorized to make grants to, and enter into contracts with public agencies and organizations, and private nonprofit organizations, to enable students in secondary schools, sec-

ondary vocational schools, and postsecondary schools to serve as volunteers in projects that address problems of illiteracy and functional illiteracy.

"(2) The Director shall give priority to programs and projects that use an approach to the problems of illiteracy and functional illiteracy that involve a partnership between educational institutions, community-based organizations and public agencies to meet a wide range of the needs of the persons served, and that use and encourage peer tutoring.

"(3) Persons serving as volunteers under this section shall not be deemed to be Federal employees for any purpose, and may be reimbursed for necessary transportation, meals, and other out-of-pocket expenses incident to the provision of service, or to obtaining or providing necessary training.

"(b)(1) Pursuant to the authority and conditions in sections 112 and 113, the Director shall make grants and contracts for, or both, a program of full-time volunteer service to be known as University Year for Literacy. The purpose of the program shall be to establish and support innovative ways to use full-time students enrolled in institutions of higher education as volunteers in addressing and solving the broad range of problems facing illiterate and functionally illiterate individuals, and in providing assistance to organizations involved in combating illiteracy and the problems of illiterate individuals.

"(2) In recruiting University Year for Literacy volunteers, priority shall be given to individuals pursuing a course of study that is related to, or likely to lead to, a career in a field related to addressing the problem of illiteracy.

"(c) The Director is authorized to make grants and contracts with qualified individuals, organizations, and public agencies to provide training and technical assistance to increase the effective use of full-time and part-time student volunteers in combatting illiteracy. Such projects may include—

"(1) conferences,

"(2) production of training materials,

"(3) training of managers of student literacy volunteer programs, and

"(4) training in methods of volunteer recruitment, particularly of minority volunteers.".

SEC. 605. TECHNICAL AND FINANCIAL ASSISTANCE FOR IMPROVEMENT OF VOLUNTEER PROGRAMS.

Section 123 of the Act is amended by—

(1) inserting "(a)" after the section designation; and

(2) inserting at the end thereof the following new subsection:

"(b) The Director may provide technical and financial assistance to nonprofit organizations conducting operations in more than one area of a State and in more than one State, that are engaged in, or wish to become involved in, activities that have as a principal purpose the solution of the problems of, and associated with, illiteracy. Such technical and financial assistance may be provided by grant or contract and shall be used to enable such nonprofit organizations—

"(1) to prepare and broadly disseminate training and technical assistance relating to the use of volunteers in literacy programs to agencies, organizations and individuals, and

"(2) to seek new and innovative solutions to literacy problems that involve the more effective and extensive use of volunteers.".

SEC. 606. SPECIAL INITIATIVES.

Section 124 of the Act is amended by—

(1) inserting "(a)" after the section designation; and

(2) inserting at the end thereof the following new subsection:

"(b) The Director is authorized to provide technical assistance, directly or by grant or contract, to employers who have established or wish to establish worksite literacy programs to assist such employers in obtaining, training, and integrating volunteers into worksite literacy programs.".

SEC. 607. LITERACY CHALLENGE GRANTS.

Part C of title I of the Act is amended by adding at the end thereof the following new section:

"LITERACY CHALLENGE GRANTS

"SEC. 125. (a) LITERACY CHALLENGE GRANT.—The Director is authorized to award challenge grants to eligible public agencies and private organizations to pay the Federal share of the costs of establishing, operating or expanding community or employee literacy programs or projects that include the use of full-time or part-time volunteers one method of addressing illiteracy.

"(b) APPLICATION.—Each eligible organization desiring a grant under this section shall submit to the ACTION Agency an application in such form and accompanied by such information as the Director may reasonably require. Each such application shall—

"(1) describe the activities for which assistance is sought,

"(2) contain assurances that the eligible organization will provide from non-Federal sources the non-Federal share of the cost of the program or project,

"(3) provide assurances, satisfactory to the Director, that the literacy project will be operated in cooperation with other public and private agencies and organizations interested in, and qualified to, combat illiteracy in the community where the project is to be conducted, and

"(4) contain such other information and assurances as the Director may reasonably require.

"(c) FEDERAL SHARE.—(1)(A) The Federal share of the cost of a program or project authorized by this section administered by a public agency, a nonprofit organization other than an organization described in paragraph (2), or a private, for-profit organization shall not exceed—

"(i) 80 percent in the first year;

"(ii) 70 percent in the second year;

"(iii) 60 percent in the third year; and

"(iv) 50 percent in the fourth and each succeeding year thereafter.

"(B) The non-Federal share paid by a private, for-profit organization shall be in cash.

"(2) The Federal share of the cost of a program or project administered by a nonprofit community-based organization shall not exceed—

"(A) 90 percent in the first year;

"(B) 80 percent in the second year;

"(C) 70 percent in the third year;

"(D) 60 percent in the fourth year; and

"(E) 50 percent in the fifth and each succeeding year thereafter.

"(3) The non-Federal share provided by a public agency or a nonprofit organization may be provided in cash, or in kind, fairly evaluated, and may include the use of plant, equipment, and services.".

SEC. 608. RETIRED SENIOR VOLUNTEER LITERACY PROGRAM.

Part A of title II of the Act is amended by inserting after section 201 the following new section:

"RETIRED SENIOR VOLUNTEER LITERACY PROGRAM

"SEC. 202. (a) PROGRAM AUTHORIZED.—The Director is authorized to make grants to establish a Retired Senior Volunteer Literacy Program, the purpose of which shall be to enhance the role of senior volunteers in developing, strengthening, supplementing, and expanding efforts to address the problem of illiteracy in the United States.

"(b) JOINT ADMINISTRATION.—Programs authorized by this section may be administered jointly with programs authorized by section 201.

"(c) PRIORITY.—The Director shall give priority in awarding grants under this section to programs which provide services to—

"(1) illiterate individuals who reside in unserved or underserved areas that have high concentrations of illiteracy, and

"(2) individuals with the lowest levels of reading proficiency and educational attainment.".

SEC. 609. AUTHORIZATION OF APPROPRIATIONS.

(a) PART A OF TITLE I.—Section 501(a)(2) of the Act is amended by striking "and $5,000,000 for fiscal year 1989." and inserting in lieu thereof $8,000,000 for fiscal year 1990, $11,000,000 for fiscal year 1991, $14,000,000 for fiscal year 1992, $17,000,000 for fiscal year 1993, and $20,000,000 for fiscal year 1994 and such sums as may be necessary for fiscal year 1995".

(b) PART B OF TITLE I.—Section 501(b) of the Act is amended by—

(1) inserting "(1)" after the subsection designation; and

(2) inserting at the end thereof the following new paragraph:

"(2) In addition to the amount authorized to be appropriated in paragraph (1), there is authorized to be appropriated—

"(A) $2,000,000 in fiscal year 1991, $2,500,000 in each of the fiscal years 1992 and 1993, and $3,000,000 in each of fiscal years 1994 and 1995 to carry out the provisions of section 115(a); and

"(B) $3,000,000 in each of the fiscal years 1991, 1992, 1993, 1994 and 1995 to carry out the provisions of section 115(b).".

(c) PART C OF TITLE I.—Section 501(c) of the Act is amended by—

(1) inserting "(1)" after the subsection designation; and

(2) inserting at the end thereof the following new paragraph:

"(2) In addition to the amounts authorized to be appropriated pursuant to paragraph (1) there is authorized to be appropriated $20,000,000 for each of the fiscal years 1991, 1992, 1993, 1994, and 1995 for Literacy Challenge Grants under section 125.".

(d) ADDITIONAL AUTHORIZATIONS.—Section 501 of the Act is amended by adding at the end thereof the following new subsection:

"(f) In addition to the amount authorized to be appropriated in the preceding subsections, there is authorized to be appropriated—

"(1) $1,000,000 in each of the fiscal years 1991, 1992, 1993, 1994, and 1995 to carry out programs under section 115(c);

"(2) $4,000,000 in each of the fiscal years 1991, 1992, 1993, 1994, and 1995 to carry out programs under section 123(b); and

"(3) $1,000,000 in each of the fiscal years 1991, 1992, 1993, 1994, and 1995 to carry out programs under section 124(b).".

SEC. 610. NATIONAL OLDER AMERICANS VOLUNTEER PROGRAMS.

Section 502(a) of the Act is amended by inserting "(1)" after the subsection designa-

tion and by adding at the end thereof the following new paragraph:

"(2) In addition to the amount authorized to be appropriated in paragraph (1), there is authorized to be appropriated $1,000,000 for each of the fiscal years 1991, 1992, 1993, 1994, and 1995 to carry out the Retired Senior Volunteer Literacy Program under section 202.".

SUMMARY OF THE ILLITERACY ELIMINATION ACT OF 1989

The Illiteracy Elimination Act of 1989 is a comprehensive package of literacy initiatives that would coordinate and strengthen efforts at the federal, state, local and private, nonprofit sector levels to combat the extensive problem of illiteracy in the United States.

There are between 23-27 million adult Americans who are functionally illiterate, a number of which is increasing due to disproportionately high drop out rates among minorities in public schools. Yet, current public and private literacy programs serve only about 19% of those who need help.

This comprehensive proposal would give structure and focus to fragmented programs now aimed at increasing literacy by unifying the efforts of existing programs; providing a governmental structure to coordinate programs, disseminate information and develop new programs and methods to reach the estimated 25 million persons presently not being served by existing programs; and by creating incentives for expanding public-private literacy partnerships.

The Illiteracy Elimination Act of 1989 includes six separate titles addressing: literacy coordination, workforce/adult literacy, families for literacy, books for families, students for literacy, and volunteers for literacy.

TITLE 1.—THE LITERACY COORDINATION, RESEARCH AND INFORMATION IMPROVEMENT

The purpose of this Title is to create a federal structure to coordinate national literacy research, programs, education and other activities. Its major provisions include the following:

Establishes a federal Cabinet Council for Literacy Coordination consisting of the major federal departments operating literacy programs, which would devise, coordinate and monitor existing and new government-wide literacy initiatives; disseminate information on existing programs across various agencies; and develop, implement, and coordinate model literacy programs at the federal level for the effective education of illiterate adults and children. The Council would issue a biennial status report to Congress with recommendations for legislation required to improve and expand federal literacy programs.

Establishes an Office on Literacy within the Department of Education to coordinate the Department's literacy programs and work with the Cabinet Council for Literacy Coordination to coordinate the related activities and programs of other federal departments and agencies.

Authorizes a National Center for Literacy, which will conduct basic and applied research on literacy, focus on developing instructional techniques and technology, serve as a clearinghouse for information on literacy programs, provide policy analysis and program evaluation, and conduct a model demonstration program on methods of training and placing persons who have not completed secondary school. The National Center will be a nonprofit entity assisted by a national advisory panel appointed by the Secretary of Education, in consultation with the Cabinet Council. The advisory panel will include members from state and local government, education, labor, business, as well as national literacy organizations, voluntary organizations, service providers and community-based organizations. The Director of the National Center will report annually to Congress and the Cabinet Council regarding the achievement of national literacy goals. For FY 91, $10 million is authorized for the National Center and such sums thereafter through FY 95.

Creates a State Literacy Resource Centers Program to link state-based service providers and the National Center for Literacy for the purpose of disseminating research and other information generated by the National Center; assisting in the improvement of existing programs and the development of innovative literacy programs at the state level. For FY 91, $15 million is authorized for the State Literacy Resource Centers and such sums as necessary thereafter through FY 95. The federal share may not be more than 75% in the first year, 50% in the second year, 25% in the third year and 0% in the fourth year.

TITLE II.—WORKFORCE LITERACY

The purpose of this Title is to assist the States in improving educational opportunities for adults who lack the level of literacy skills requisite for productive employment, to expand and improve the current system for delivering and accessing adult education services, and to encourage the expansion of adult education teacher training programs. The major provisions of this Title include the following:

Increases the authorization for the Adult Education Act (AEA) by an additional $100 million over the previous year's authorization beginning in FY 91 through FY 95, or until a majority of the illiterate population is being served. Includes a 15% set-aside of new funds to the states for training teachers and administrators, with particular emphasis on training minority teachers and training teachers to recognize and effectively serve those with learning disabilities. Increases the 20% limitation on funds that may be used for high school equivalency programs to 25%. Requires each state to assure direct and equitable access to federal funds for local public agencies, non-profit, private community-based and voluntary organizations which serve educationally disadvantaged adults. Requires each state to assure that funding is allocated for the population designated as the neediest and to the needs of persons unemployed due to low basic skills.

Changes the workplace literacy program authorization to $50 million in FY 90 and in FY 91, and such sums thereafter through FY 95.

TITLE III.—FAMILIES FOR LITERACY

The purpose of this Title is to break the intergenerational cycle of illiteracy by improving the parenting and basic skills of adults in order to foster learning among their children; to foster family-oriented approaches to reducing illiteracy, and to address illiteracy through the social environment in which children are born and raised. The major provisions of this Title include:

Authorizes the Even Start Program at $50 million in FY 90 and in FY 91, and such sums thereafter through FY 95. Even Start funds joint learning projects, particularly targeting functionally illiterate parents and their children to enhance the literacy building capacities of these parents and their children.

Establishes a "Families for Literacy" demonstration program to target services at an earlier stage than provided under Even Start. The demonstration grants would support services to newborns and their parents to monitor and improve a child's early developmental progress. Fund would be used to provide: literacy and parenting education for adults, prereading and other developmental skills for children aged 3 and under, structured time for parents to use newly acquired skills with their children, and referral services for families, including referrals to drug rehabilitation and counseling. Authorizes $10 million for FY 91 and such sums thereafter through FY 95.

Authorizes $2 million in FY 91 for the Secretary of Education to contract with the Corporation for Public Broadcasting to produce and disseminate a program for parents to improve early childhood education, language development and literacy.

TITLE IV.—BOOKS FOR FAMILIES

This Title would give priority to expanding parent access to books and to stimulating library literacy programs under the Library Services and Construction Act. The major provisions of this Title include:

Authorizes $10 million (an additional $5 million above the current authorization level) in FY 90, increasing by $1 million each year through $15 million in FY 95 for the Library Literacy Program.

Creates a Model Library Literacy Demonstraton Program to establish model library literacy centers at state and local public libraries, with resources and facilities to assist those in need of literacy training and access to reading materials. Authorizes $2 million in FY 91 and such sums thereafter through FY 95.

Authorizes the Secretary of Education to award funds to Reading Is Fundamental (RIF) to distribute inexpensive books to economically disadvantaged children and to increase parent access to books by reaching parents most disconnected from the education community (by making books available in welfare offices, health clinics, and WIC offices). Authorizes $2 million for this contract in FY 91, and such sums as necessary thereafter through FY 95.

TITLE V.—STUDENTS FOR LITERACY

The purpose of this Title is to promote the development, location and placement of community service jobs for students in the area of literacy tutoring, outreach and training under the College Work Study Program (CWS), which supports the part-time employment of students who are enrolled as undergraduate, graduate or professional students and who are in need of earnings from employment to pursue courses of study at eligible institutions. The major provisions of this Title include:

Increases incentives through the CWS for college and universities to locate, develop and place students in literacy training and other literacy related community service jobs. Provides 100% federal funding for compensation paid to students working in literacy projects through the CWS.

Authorizes funding of $656 million for the entire College Work Study Program in FY 91 and an additional $20 million each year through FY 95.

Authorizes the Student Literacy Corps at $10 million for FY 90 and an additional $1 million each year through FY 95.

TITLE VI.—VOLUNTEERS FOR LITERACY

The purpose of this Title is to develop, strengthen, supplement and expand the ca-

pacity of both public and private agencies and organizations to combat illiteracy through the use of volunteers.

VISTA Literacy Corps

Reauthorizes this capacity building program and increases its funding from the FY 89 authorization level of $5 million to $8 million for FY 90, $11 million for FY 91, $14 million for FY 92, $17 million for FY 93 and $20 million for FY 94, and such sums as may be necessary for FY 95.

Service Learning/Part-time Student Volunteers

Authorizes grants and contracts to partnership programs of public agencies or private nonprofit organizations and educational institutions to expand the use of secondary and postsecondary students as literacy volunteers, particularly in peer tutoring situations. Students may be reimbursed for necessary transportation, meals and other out-of-pocket expenses. Authorizes $2 million in FY 91, $2.5 million in FY 92 and in FY 93, and $3 million in FY 94 and FY 95.

University Year for Literacy

Authorizes grants or contracts to programs of full-time volunteer service by postsecondary students, particularly those pursuing a course of study likely to lead to a career in a field related to literacy, using the authority under the Domestic Volunteer Service Act for the University Year for ACTION. Students would receive academic credit and a living allowance similar to the allowance received by VISTA volunteers. Students would be required to serve no less than a full academic year. Authorizes $3 million in each of the fiscal years 1991 through 1995.

Literacy Challenge Grants

Authorizes matching grants to public/private partnerships to establish or expand literacy programs that use volunteers as a method of addressing illiteracy. Grantees may be public or private nonprofit agencies, nonprofit community-based organizations or private for-profit organizations, but must operate the project in cooperation with other public and private agencies qualified to combat illiteracy in their community.

Matching requirements are 20% local, 80% federal in the first year, with the federal match declining to 50% in the fourth year, for all recipients except nonprofit community-based organizations. for community-based nonprofits, the match is 10% local, 90% federal, with the match declining to 50% in the fifth year. Grantees who are private, for-profit organizations must provide the match in cash; all other grantees may meet the match requirements through "in kind" contributions. Authorizes $20 million in each of the fiscal years 1991 through 1995.

Retired Senior Volunteer Literacy Program

Authorizes $1 million in each of the fiscal years 1991 through 1995 to enhance the role of RSVP volunteers in combating illiteracy. Priority is given to providing service to illiterate individuals in unserved or underserved areas and with the lowest levels of education attainment.

Technical Assistance and Training

Improvement of student volunteer programs: To increase the effective use of full and part-time student volunteers, authorizes grants and contracts for projects that may include conferences, production of training materials, training of managers of student programs and training in methods of recruitment, particularly of minority volunteers.

Improvement of community-based and other programs that use volunteers: To provide for the preparation and dissemination of training and technical assistance, and in the development of new and innnovative solutions to literacy problems that involve the effective use of volunteers, authorizes technical and financial assistance to nonprofit organizations providing literacy services in more than one area of a state or in more than one state.

Improvement of worksite literacy volunteer programs: To provide assistance to employers who have established or wish to establish worksite literacy programs, authorizes the provision of technical assistance directly or through grants or contracts to assist them in obtaining, training, and integrating volunteers into their programs.

Authorizes a total of $6 million in each of the fiscal years 1991 through 1995.

SECTION-BY-SECTION ANALYSIS OF THE COMPREHENSIVE ILLITERACY ELIMINATION ACT OF 1989

TITLE I—LITERACY COORDINATION

Section 101—Short Title: Literacy Coordination, Research, and Dissemination Act of 1989.

Section 102—Cabinet Council for Literacy Coordination—

(a), (b) Authorizes a Cabinet Council for Literacy Coordination, consisting of the Secretary of Education who shall serve as Chairman, the Director of the ACTION Agency, the Secretary of Health and Human Services, the Secretary of Labor, the Attorney General of the United States, the Director of the Office of Personnel Management, and other officers of the Federal Government as may be designated by the President or the Chairman.

(c) Establishes number of members needed for a quorum of the Council.

(d), (e) The Council shall meet at least 4 times a year to: devise, coordinate and monitor existing and new government initiatives; disseminate information on existing literacy programs; develop models for effective literacy education; set specific and measurable goals for the Federal literacy effort; track progress on meeting these goals and objectives; issue a biennial progress report to Congress and the President with recommendations for legislation; develop model systems for implementing and coordinating Federal literacy programs which can be replicated at the State and local level; and review and make proposals for uniformity among reporting requirements, standards for outcomes, performance measures, and program effectiveness in various Federal programs.

(f) Each department participating in the Council shall contribute a total of $100,000 in salaries, expenses and personnel support to the administrative expenses of the Council. The ACTION Agency and each agency participating in the Council shall contribute at least $20,000.

Section 102—Office on Literacy—

(a), (b) Amends Sections 202 and 206 of the Department of Education Organization Act by establishing an Office on Literacy within the Department of Education to coordinate the administration of literacy programs within the Department of Education. These literacy programs would include those pursuant to chapter 1 of title I of the Elementary and Secondary Education Act, the Bilingual Education Act, the Library Services Construction Act, the Work-Study Programs in part C of title IV of the Higher Education Act of 1965, the Student Literacy Corps in part D of title I of the Higher Education Act of 1965, the Fund for the Improvement of Post Secondary Education, the Adult Education Act, the Even Start Programs Operated By Local Educational Agencies pursuant of part B of title I of the Elementary and Secondary Education Act of 1965 and the Stewart B. McKinney Homeless Assistance Act. Provides that the Director of the Office on Literacy shall work with the Cabinet Council.

Section 103—National Center for Literacy—

(c) Authorizes the Secretary of the Department of Education to make a competitive, renewable grant to establish and operate a nonprofit National Center for Literacy. Such a grant shall be for a period not to exceed 5 years. The Center would consist of a Director of the Center, experts in the literacy field, directors and supervisors for each of the major functions of the Center, and professional and support staff. The Secretary of Education shall consult with the Cabinet Council to select a panel composed of individuals who are not Federal employees and who are national experts in adult and child literacy to assist in the selection of such grant recipients. The Center shall have the ability to enter into contracts, joint ventures, and form cooperative relationships with State and local agencies, educational entities, business and labor organizations, and services providers. The Center may accept, but not solicit, private contributions, foundation grants, and other grants to support the research and dissemination activities of the center.

(d) Requires each organization desiring the National Center grant to submit an application.

(e) Funds provided to the Center may be used to: conduct basic research; provide technical assistance; act as a clearinghouse on literacy program information, teaching and assessment methods, and evaluation tools; conduct policy analysis and program evaluation activities; and conduct a model demonstration program in consultation with the state educational agencies to demonstrate innovative approaches to remediation, training, retraining and placement of persons who have not completed secondary school or the equivalent.

(f) The Secretary of Education, in consultation with the Cabinet Council, shall establish an advisory committee to advise the Secretary and Director of the Office of Literacy regarding policy issues relating to the administration of the Center, and the selection and operation of major research and demonstration projects and activities of the Center. This advisory committee shall meet at least semi-annually, and shall be composed of 15 members of which: 4 shall be from local and State government; 6 shall be from education, labor, and business communities; and 5 shall be from national literacy organizations and volunteer organizations, service providers, and community-based organizations.

(g) The Director of the Center shall report annually to Congress and the Cabinet Council on progress made in achieving literacy goals.

(h) Authorizes $10 million in fiscal year 1991, and such sums as necessary for each fiscal year thereafter through fiscal year 1995. Not more than 5% of these funds authorized in any fiscal year shall be used to conduct the model demonstration program.

Section 104—State Literacy Resource Center—

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(b) Authorizes the Secretary of Education to make grants to pay the Federal share of the costs of establishing and operating State literacy resource centers. Such grants shall be awarded for a period not to exceed 3 years and shall not exceed $500,000. Each State may contract on a competitive basis with a volunteer organization, a community-based organization or other nonprofit entity to operate a state literacy resource center.

(c) Funds provided may be used to (1) develop innovative approaches to literacy program coordination within the State and with the Federal Government; (2) improve access to literacy services in the State through the promotion of technology utilization, provision of technical assistance to service providers, and dissemination of information among literacy service providers; and (3) establish State literacy resources centers to: serve as a link between state-based service providers and the National Center to disseminate information generated by the National Center for Literacy; upgrade the system of diffusion and adoption of state-of the art teaching methods; assist in coordination of the delivery of literacy services by public and private agencies; encourage government and industry partnerships; encourage innovation and experimentation in literacy services; provide technical and policy assistance to State and local governments and to community-based literacy organizations to improve literacy policy and programs; and train literacy instructors in selecting instructional technologies.

(d) Each state shall submit an application to the Secretary of Education describing the activities and services for which assistance is sought, and a statewide plan with measurable goals for the elimination of illiteracy within the state that includes implementation strategies for maximum participation of community-based organizations, volunteer organizations and other nongovernmental entities.

(e) The Federal share of payments for these State literacy resouce grants may not exceed 75 percent in the first year in which the State receives funds, 50 percent in the second year, 25 percent in the third year.

(f) Provides that the non-Federal share of payments under this section may be in cash or inkind.

(g) Authorizes $15 million for State literacy resource grants in fiscal year 1991, and such sums as may be necessary thereafter in each of the fiscal years through fiscal year 1995.

TITLE II—WORKFORCE LITERACY

Section 201—Short Title: Workforce Literacy Act of 1989.

Section 202—Statement of Purpose.

Section 203—Adult Education Amendments—

(a) (1) (2) Amends Section 313(a) of the Adult Education Act by authorizing for fiscal years 1991 through 1995 an amount equal to the authorization for the previous year plus $100 million. Of this additional amount, 15 percent shall be used for training professional teachers, volunteers and administrators, with particular emphasis on training minority teachers, and the training of teachers to identify and more effectively serve that segment of the illiterate population that is learning disabled, and reads below the fifth grade level.

(a)(3) If it is determined by the Secretary of Education in any of the fiscal years that the majority of the illiterate population under this title has been served, the amount authorized to be appropriated for each of the succeeding years listed in paragraph (1) shall be equal to the amount authorized for the fiscal year the determination is made.

(b)(1) Amends Section 322 of the Adult Education Act to require that grants to states to carry out adult education programs shall be carried out by public or private nonprofit organizations only if the local educational agency has been consulted and has had an opportunity to comment on the application of such organization.

(b)(2) Requires the state educational agency receiving financial assistance under the adult education State grant program to assure direct and equitable access to public or private agencies, community-based organizations, and institutions that serve educationally disadvantaged adults.

(b)(3) Requires the state educational agency receiving financial assistance under the adult education State grant to give preference to those applicants who can demonstrate a capability to recruit and serve educationally disadvantaged adults, and those who will serve adults with a reading ability below the fifth grade level.

(b)(4) Increases from 20 percent to 25 percent the limitation on funds that may be used for high school equivalency programs.

(c) Amends Section 331(c) of the Adult Education Act to limit the amount of State grant funds which may be used for State administrative costs to the greater of 5% of the State grant or $50,000, and an additional 1% of the State grant may be reserved for program improvement with approval of the Secretary.

(d) Amends section 342(c) of the Adult Education Act by requiring that the state plan report the amount of administrative funds spent on program improvements, and contain assurances that financial assistance provided is used to assist and expand existing programs and to develop new programs for adults whose lack of basic skills renders them unemployable, keeps them from being independent, and severely reduces their ability to positively impact the literacy of their children.

(e)(1) Amends Section 371 on Workplace Literacy in Adult Education Act to require that the Secretary of Education consult with the Secretary of Labor in making demonstration grants for workplace literacy.

(e)(2) Amends Section 371(a)(4) to require that applications for these demonstration grants contain assurance that no less than 10% of funds received under this section shall be used for research, teacher training, training regarding the identification and teaching of learning disabled individuals, and technical assistance.

(e)(3) Authorizes $50 million for workplace literacy programs in each of fiscal years 1990 and 1991, and such sums are necessary thereafter for each of the fiscal years through fiscal year 1995.

Section 204—GAO Study—Requires the General Accounting Office to update the 1975 study entitled "The Adult Basic Education Program: Progress in Reducing Illiteracy and Improvement Needed", within 18 months of enactment of this Act.

TITLE III—FAMILIES FOR LITERACY

Section 301—Short Title: Families for Literacy Act of 1989.

Section 302—State of Purpose.

Section 303—Even Start—Amends Section 1059 of the Elementary and Secondary Education Act to authorize the Even Start Program at $50 million in each of fiscal years 1990 and 1991, and such sums as may be necessary thereafter in each of the fiscal years through fiscal year 1995.

Section 304—Families for Literacy Program—

(b)(1) Authorizes the Secretary of Education to award 10 demonstration grants to nonprofit entities, or consortia of businesses, nonprofit entities and local educational agencies to pay 80 percent of the cost of establishing intergenerational learning programs and services for children aged 3 and under and their parents, in order to improve the early developmental progress of the children, especially in literacy developmental skills.

(b)(2) Priority shall be given to applicants whose programs serve hard-to-serve populations, including parents who are teenaged, illiterate, economically disadvantaged, unemployed, or non-English speaking.

(c) Requires each consortia, nonprofit entity, or local educational agency desiring a Families for Literacy Grant to submit an application.

(d)(1) Staff teams of early childhood educators would be employed as literacy educators or parent educators to provide: literacy education and parenting education for adults, prereading and other developmental skills for children aged 3 and under, and referral services for families, including referrals to drug rehabilitation and counseling.

(d)(2) Staff teams shall be selected on the basis of experience in working with children and families, a bachelor's degree in child development, experience in social work, child care pediatrics, family counseling, and experience in literacy training.

(e)(1) Establishes community advisory councils to provide outreach, court notification, referral services, public relations and recruiting drives.

(e)(2) The community advisory council shall be staffed by volunteers, and may refer individuals into and from the Families for Literacy program into such services as WIC, literacy programs, hearing specialists and child abuse services.

(f)(1) The non-Federal share of the costs of these programs may be paid in cash or inkind fairly evaluated, including equipment or services.

(f)(2) Each consortia or nonprofit entity receiving a grant may also use funds received under Chapter 2 of the Elementary and Secondary School Improvement Amendments of 1988 as a portion of its matching funds under this program.

(h) Authorizes the Secretary of Education to enter into a contract with the Corporation for Public Broadcasting to produce and disseminate a family literacy program which would assist parents in improving their knowledge and skills regarding early childhood education, language development and literacy.

(i)(1) Families for Literacy is authorized at $10 million for fiscal year 1991 and such sums as may be necessary thereafter through fiscal year 1995.

(i)(2) The Corporation for Public Broadcasting contract is authorized separately at $2 million in fiscal year 1991.

TITLE IV—BOOKS FOR FAMILIES

Section 401—Short Title: Books for Families Literacy Act of 1989.

Section 402—Statement of Purpose.

Section 403—Inexpensive Book Distribution Program—

(a) Amends Section 1653(b) of the Elementary and Secondary Education Act to require the contractor to give priority to new programs and projects funded beginning in fiscal year 1990 which target rural and urban areas with large concentrations

of economically disadvantaged children and students.

(b) Requires a report to the Department of Education as part of the contract the number and description of the individuals being served through this contract within 2 years of the date of this contract.

Section 404—Library Literacy Programs—

(a) Amends Section 4(a) of the Library Services and Construction Act to authorize $10 million for the Library Literacy Program in fiscal year 1990, increasing by $1 million each fiscal year through $15 million in fiscal year 1995.

Authorizes $2 million for the Model Literacy Centers in fiscal year 1991 and such sums as may be necessary thereafter through fiscal year 1995.

Authorizes $2 million in fiscal year 1991 for the Reading is Fundamental program through the Library Services and Construction Act, and such sums as necessary thereafter through fiscal year 1995.

Amends Section 601(c)(2) of the Library Services Construction Act to allow use of funds for acquisition of books, tapes, and computer software.

Section 405—State and Local Public Library Grants—Inserts two new programs after Section 601 in title IV of the Library Services Construction Act.

Section 602—Model Library Literacy Centers—

(a), (b)(1) Authorizes the Secretary of Education to carry out a grant program to State and local public libraries for the purpose of establishing exemplary model programs.

(b)(2) These grants may not exceed $200,000 in any fiscal year.

(b)(3) Each library receiving a grant may receive only one grant per fiscal year, for a maximum of five years.

(b)(4) The Secretary may reserve 2 percent of the funds for program administration for these grants.

(b)(5) The Secretary shall select an expert in library literacy activities to administer the grant program set forth in this section.

(c) Each application for these grants shall: describe the activities for which assistance is sought; describe an innovative approach to public literacy activities; substantiate the program's potential benefit to the library profession and its national significance; provide a detailed description of how the grant will impact the community; set forth special evidence for the need for such a grant; describe how the results of the demonstration grant will be evaluated and disseminated; indicate the potential for replicability; and provide evidence that the grant was developed in consultation with the State library agency and with leading experts in adult literacy, and taking into account literacy research.

(d) The Secretary shall establish a peer review panel of technical experts and consultants to assist the Secretary in establishing criteria for awarding grants and approving applications.

Section 603—Inexpensive Book Distribution Program—

(a) The Secretary of Education is authorized through the Library Services and Construction Act to contract with Reading is Fundamental, to support and promote the establishment of reading motivation programs which include the distribution of inexpensive books. Such contract shall give priority to programs and projects which target rural and urban areas with large concentrations of economically disadvantaged children and students.

(b) The funds may be used to increase access to children's books for parents of children aged 5 and under and develop motivational materials to reach parents most disconnected from the education community by making children's books available in welfare offices, health facilities, WIC offices, public housing, homeless shelters, and migrant labor facilities.

TITLE V—STUDENTS FOR LITERACY

Section 501—Short Title: Students for Literacy Act of 1989.

Section 502—Statement of Purpose.

Section 503—Student Literacy Corps—Amends Section 146 of the Higher Education Act of 1965 to authorize $10 million for Student Literacy Corps in fiscal year 1990 increasing by $1 million each fiscal year to $15 million in fiscal year 1995.

Section 504—Work-Study Programs—

(a) Amends Section 441(b) of the Higher Education Act of 1965 to authorize $656 million for College Work-Study (CWS) program in fiscal year 1991 increasing by $20 million each fiscal year to $736 million in fiscal year 1995.

(b)(1) Amends Section 443(b) of the Higher Education Act to exempt literacy training programs from the 10 percent cap on CWS funds that may be used for work-study programs for which the Federal share equals or exceeds 90 percent.

(b)(2) Provides that the Federal share of the compensation of students employed in literacy work-study training programs shall be 100 percent.

(c) Amends Section 446(a) of the Higher Education Act to exempt CWS funds used for the creation and placement of literacy jobs for students from the 10 percent cap on CWS funds that may be used for the location and development of community services jobs for students.

TITLE VI—VOLUNTEERS FOR LITERACY

Section 601—Short Title: Volunteers for Literacy Act of 1989.

Section 602—Statement of Purpose.

Section 603—VISTA Literacy Corps—Amends Section 109(g)(1) of the Domestic Volunteer Service Act of 1973 to provide that funds made available under Section 501(a)(2) for the VISTA Literacy Corps shall supplement and not supplant the VISTA illiteracy services provided in 1989 through part A of title I of the Act, except in any fiscal year in which funds for Section 501(a)(2) exceed $7 million.

Section 604—Service-Learning Literacy Programs—Inserts a new Section 115 into part B of title I of the Domestic Volunteer Service Act of 1973 that:

(a)(1) Authorizes the Director of the ACTION agency to make grants to and enter into contracts with public agencies and organizations, and private nonprofit organizations, to enable students in secondary schools, secondary vocational schools, and postsecondary schools to serve as volunteers in projects that address problems of illiteracy and functional illiteracy.

(a)(2) Provides that the Director shall give priority to programs and projects that involve a partnership between educational institutions and community-based organizations and public agencies. Priority shall also be given to programs and projects that use and encourage peer tutoring.

(a)(3) Provides that persons serving as volunteers are not considered Federal employees, and may be reimbursed for necessary transportation, meals, and other out-of-pocket expenses.

(b)(1) Authorizes the Director to make grants and contracts for a program of full-time volunteer service to be known as University Year for Literacy. The purpose is to establish and support innovative ways to use full-time students enrolled in institutions of higher education as volunteers in addressing and solving the broad range of problems facing illiterate and functionally illiterate individuals, and in providing assistance to organizations involved in combating illiteracy. Volunteers in this program are to serve under the same conditions as described in the authority for the University Year for ACTION program.

(b)(2) Provides that priority in recruitment of University Year for Literacy volunteers shall be given to individuals pursuing a course of study related to, or likely to lead to, a career in a field related to addressing the problem of illiteracy.

(c) Authorizes the Director to make grants and contracts with qualified individuals, organizations and public agencies to provide training and technical assistance to increase the effective use of full and part time student volunteers in combating illiteracy. Such projects may include conferences, production of training materials, training of managers of student literacy voluteer programs, and training in methods of volunteer recruitment, particularly of minority volunteers.

Section 605—Technical and Financial Assistance for Improvement of Volunteer Programs—Amends Section 123 of the Domestic Volunteer Service Act to authorize the Director to provide technical and financial assistance to nonprofit organizations conducting operations in more than one State and in more than one area of a State that are engaged in, or wish to become involved in, activities that have as a principal purpose the solution of the problems associated with illiteracy. Such assistance shall be used to enable such organizations to prepare and broadly disseminate training and technical assistance relating to the use of volunteers in literacy programs and to seek new and innovative solutions to literary problems that involve the more effective and extensive use of volunteers.

Section 606—Special Initiatives—Amends Section 124 of the Domestic Volunteer Service Act to authorize the Director to provide technical assistance directly, or by grant or contract, to employers who have established or wish to establish worksite literacy programs to assist such employers in obtaining, training and integrating volunteers into worksite literacy programs.

Section 607—Literacy Challenge Grants—Inserts a new Section 125 into part C of title I of the Domestic Volunteer Service Act:

(a) Creates a Literacy Challenge Grant Program authorizing the Director to award challenge grants to eligible public agencies and private organizations to pay the Federal share of the costs of establishing, operating or expanding community or employee literacy programs or projects that include the use of full-time or part-time volunteers as a method of addressing illiteracy.

(b) Each eligible organization shall submit to the ACTION agency an application to the Director describing the activities for which assistance is sought and containing assurances that the eligible organization will provide from non-Federal sources the non-Federal share of the cost of the program or project. Eligible organizations shall also provide assurances that the literacy project will be operated in cooperation with other public and private agencies and organizations interested in and qualified to combat illiteracy in the community.

(c)(1) The Federal share of the cost of the program shall not exceed 80 percent the first year, 70 percent the second year, 60 percent the third year, and 50 percent in the fourth and each succeeding year thereafter. The non-federal share paid by a private, for-profit organization shall be in cash.

(c)(2) The Federal share of the cost of the program administered by a nonprofit community-based organization is no more than 90 percent in the first year, and declines by 10 percent a year until it reaches 50 percent in the fifth and any succeeding year.

(c)(3) The non-Federal share provided by a public agency or a nonprofit organization may be provided in cash or in kind, fairly evaluated and may include the use of equipment, plant and services.

Section 608—Retired Senior Volunteer Literacy Program—Inserts a new Section 202 of title II of the Domestic Volunteer Service Act.

(a) Establishes a Retired Senior Volunteer Literacy Program authorizing the Director to make grants to establish a Retired Senior Volunteer Literacy Program to enhance the role of senior volunteers in developing, strengthening, supplementing and expanding efforts to address illiteracy.

(b) Programs authorized by this section may be administered jointly with programs authorized by Section 201, the Retired Senior Volunteer Program.

(c) Priority will be given to programs providing services to illiterate individuals who reside in unserved or underserved areas that have high concentrations of illiteracy, and individuals with the lowest levels of reading proficiency and educational attainment.

Section 609—Authorization of Appropriations—

(a) Part A of title I—Amends Section 501(a)(2) of the Domestic Volunteer Service Act to authorize $8 million for the VISTA Literacy Corps in fiscal year 1990, and an increase of $3 million each year to $20 million in fiscal year 1994, and such sums as may be necessary in fiscal year 1995.

(b) Part B of title I—Amends Section 501(b) of the Domestic Volunteer Service Act to authorize $2 million in fiscal year 1991, $2.5 million in each of fiscal years 1992 and 1993, and $3 million in each of fiscal years 1994 and 1995 for service-learning literacy programs.

Authorizes $3 million in each of fiscal years 1991, and 1992, and 1993, 1994, 1995 for the University Year for Literacy.

(c) Part C of title I—Amends Section 501(c) to authorize $20 million in each of fiscal years 1991, 1992, 1993, 1994, and 1995 for the Literacy Challenge Grants.

(d) Amends Section 501(f) of the Domestic Volunteer Service Act to authorize $1 million in each of fiscal years 1991 through 1995 for training and technical assistance to increase the effectiveness of full and part-time student illiteracy volunteers.

Authorizes $4 million in each of the fiscal years 1991 through 1995 for technical and financial assistance to enable nonprofit organizations to develop new and innovative ways to use volunteers in solving the problems of illiteracy and to prepare and disseminate training and technical assistance information.

Authorizes $1 million in each of the fiscal years 1991 through 1995 for enhancing the use of volunteers in worksite literacy programs.

Section 610—National Older Americans Volunteer Programs—Amends Section 502(a) of the Act to authorizing $1 million in each of fiscal years 1991 through 1995 to carry out the Retired Senior Volunteer Literacy Program.

Mr. MITCHELL. Mr. President, I am pleased to join my colleague from Illinois, Senator SIMON, in introducing the Illiteracy Elimination Act of 1989.

Making an effort to reduce illiteracy at all age levels was a key item on the Democratic agenda issued in March.

PAUL SIMON has been at the forefront of this issue for years. He is a congressional leader in addressing education generally, and addressing illiteracy in particular. In fact, Senator SIMON held the first hearing in Congress addressing the modern day problems of illiteracy.

His efforts in drafting this legislation and in continually focussing Congress' attention on the need for a greater literate America have been tireless. I commend and respect his initiative on this issue.

There are between 23 million and 27 million adults who are functionally illiterate today. Some estimates are even higher.

While experts may disagree on the exact number, there is no disagreement that we must reduce the number of functionally illiterate individuals if we are to maintain our productivity and growth as a nation.

A number of reports have been issued, which point to a common problem at the end of this century. Those reports all predict that we will find an increasing mismatch between job skill requirements and the available pool of workers by the year 2000.

One such report, the Hudson Institute's "Workforce 2000", found that the majority of new jobs will require some postsecondary education. People with less than a high school diploma will be able to fill only 14 percent of all jobs, as opposed to 40 percent today. And, the jobs that are in the middle of the skill distribution today will be the least skilled occupations of the future.

At the same time, the report found that the decline in population growth will result in an older work force. And, 80 percent of new entrants into the work force will be women, minorities, and immigrants—traditionally less skilled and undereducated groups.

We find that a number of American jobs have been shifted overseas to be replaced by lower wage workers. We need to stop dead in its tracks, the possibility that jobs might be transferred overseas in the future to be replaced by better educated workers.

It is time Congress seriously considers how as a nation we will be prepared to face the next century. We have begun an era of technological sophistication that will require a well educated work force.

The Hudson Report estimates that by the year 2000, most jobs will require a high school degree. Yet, in April, the Department of Health and Human Services proposed in regulations that basic literacy meant an eighth grade education. If eighth grade is to be today's floor of basic literacy, and 12th grade is to be the floor 11 years from now, we have much to accomplish before the end of the century.

Being functionally illiterate is much broader than the stereotype of someone who cannot read or write. Being functionally illiterate means having low basic skills in reading and writing and comprehension. Someone who has problems reading a job notice, the newspaper, road maps, or instructions on medication.

Contrary to myths, illiteracy is not confined to welfare recipients and low-income families in search of work. A large number of individuals currently in the work force do not have basic literacy skills.

According to companies participating in the Center for Public Resources Survey of Basic Skills, 30 percent reported secretaries having difficulty reading at the level required by their job. Fifty percent reported managers and supervisors unable to write paragraphs free of grammatical errors. And, 50 percent of the companies reported that skilled and semiskilled employees, including bookkeepers, were unable to use decimals and fractions in math problems.

As jobs evolve during the next two decades, people may find themselves out of work. It is no secret that we are moving from a manufacturing economy to a service economy. It only follows that we will rely more on brain, than muscle.

Within that context, it is never too late to learn.

The legislation we are introducing today addresses literacy program coordination, work force literacy, access to books and library programs, volunteer assistance—including peer tutoring, and intergenerational literacy—to break the cycle of illiteracy among families by helping parents and disadvantaged children.

The legislation complements State efforts. It provides an increase in current successful programs such as adult education and the Library Literacy Program. And, establishes a Federal Cabinet Council for Literacy Coordination, which would coordinate and monitor existing programs as well as develop, implement, and coordinate model literacy programs.

For my own State of Maine, estimates indicate that one out of every five people is functionally illiterate. This means that a good portion of the State could be shutout as we move further into the technological age.

The legislation we are introducing today is the key to keep the door open. We have far too much at stake to close the door on so many.

I am hopeful the bill will soon be approved.

Mr. KENNEDY. Mr. President, I commend Senator SIMON for taking the lead in introducing this comprehensive attack on the serious problem of illiteracy in America, and I am proud to be a sponsor of this important initiative.

In May, the Senate Labor and Human Resources Committee heard dramatic testimony from the M.I.T. Commission about our alarming lack of competitiveness in world markets. One of their strongest recommendations was to invest more in education. Today, we lack the educated work force we need to compete, and the growing problem of illiteracy is a major cause of the problem.

According to one estimate, 27 million adults—one out of every six people above age 18—cannot read the poison warning on a can of pesticide, a letter from their child's teacher, the headlines of a daily newspaper, or the first amendment of the Constitution.

We have recently concluded our celebration of the bicentennial of the Constitution, and we have been reminded in the clearest of terms that our democracy cannot function with an illiterate population. Citizens must be able to participate in the democratic process. And to do so, they must be knowledgeable about the world around them, understand how to vote for the people that represent them, and communicate their ideas and needs.

The literacy volunteers of America estimate that $237 billion a year in earnings are lost by those who lack basic learning skills. The American Library Association tells us that functionally illiterate adults cost $224 billion annually in welfare payments, crime, poor job performance, and remedial education. These economic costs are real, and they underscore the need to find ways to address this challenge.

We have begun to seek realistic and innovative answers. A program enacted last year is providing $5 million to colleges and universities across the country to establish a literacy corps. Students receive academic credit for tutoring in schools, adult educational programs, homeless shelters, and other community agencies where education programs are in place. The Federal funds will generate 2 million hours of tutoring, which is worth $40 million—an eightfold return on our $5 million Federal investment. We also authorized an important new program in worksite literacy, which is now getting off the ground. Both of these programs are expanded in this bill.

But the Federal Government isn't doing enough. Although we spend about $187 million a year fighting illiteracy today, that amount serves only a small fraction of those who should have assistance. We need a comprehensive approach to attack this blight on our society. We need coordination to make programs more efficient, and we need to highlight and expand programs that work, and make them more widely available.

The bill we are introducing today can make a significant difference in the battle against illiteracy. It provides real coordination among programs offered at the Federal level. It ensures that as our understanding of the problem improves, new techniques will be made available as soon as possible. And it builds on good programs which have been underfunded in the past.

It is a national scandal that a country as wealthy and as advanced as the United States still has 27 million adult Americans who cannot read. For years, we have tried to declare war on illiteracy. We are all aware that too little has happened, and that too little progress has been made. I hope that this legislation marks a new commitment in Congress to address this issue on a more urgent basis, and I intend to give it high priority in the Senate Labor Committee.

Mr. SHELBY. Mr. President, I am proud to join my good friend PAUL SIMON today as an original cosponsor of the Illiteracy Elimination Act of 1989. The ability to read is taken for granted in this society—it is assumed—it is expected. And yet there are between 23 and 27 million adult Americans who are functionally illiterate. The stigma that is attached to the inability to read prevents many adults from seeking the help they need.

In my home State of Alabama, more than 200,000 adults are functionally illiterate. We have recently become very concerned about literacy in America because we realize that we cannot maintain our standard of living unless we increase substantially the skills of our work force. There is an ever present threat of losing our competitive edge with foreign countries. The question becomes, "how can we remain competitive if our education system is not turning out a work force that can perform effectively within this highly advanced, technologically oriented world?"

By the year 2000, an estimated 5 to 15 million manufacturing jobs will require more training and skills. Each year, 1.5 million workers are permanently displaced and will require assistance to reenter the work force. Twenty to forty percent of the dislocated workers are functionally illiterate.

Efforts to help all Americans achieve literacy have been in existence for years. This legislation will bring the guidance, coordination, and strength that will help unite nationwide literacy programs. By combining efforts at the Federal, State, and local level as well as in the private sector we will be providing a focus for a national initiative.

The tragedy of illiteracy is that it denies individuals dignity, ability, and hope. It prevents capable, hardworking, determined Americans from realizing their potential. It is my hope that this legislation will provide the impetus for the resolution and prevention of this problem. Illiteracy is not insurmountable—and it is my belief that the Illiteracy Elimination Act of 1989 will be the means by which all Americans will one day read.

Mr. REID. Mr. President, I'm pleased to join today with my colleagues in sponsoring the Illiteracy Elimination Act of 1989.

Help is on the way for the 67,000 adults in Nevada and the 23 to 27 million adults throughout the country who cannot read or write.

The problem of illiteracy is a national security nightmare and an economic disaster. We need soldiers who can read manuals and employees who can read and write on the job. We won't stay the leader of the free world if our people cannot read—much less understand—the Declaration of Independence or the Constitution of the United States.

Earlier this year, my wife, Landra, testified at a hearing on the Illiteracy Elimination Act. Landra developed the Nevada State literacy intitiative. At the hearing, she testified immediately after a 45-year-old woman from Illinois who had enrolled in an adult literacy program and was just learning the fundamentals of reading and writing.

This woman recounted the frustration of hiding her illiteracy from her family and friends. She revealed the vast opportunities and joy she now feels as a result of her newly learned skills. This is a success story to warm everyone's heart. It is also encouragement to our country that there are millions of citizens who want to lead productive lives. The legislation introduced today is fresh cause for optimism.

The Illiteracy Elimination Act will expand existing literacy programs with a proven track record. It will provide new focus, new funding, and new hope.

The best feature of the Illiteracy Elimination Act is that it will work hand-in-hand with local literacy initiatives. This is not a made-in-Washington solution, it's a partnership. That's the only way we will help the 67,000 Nevadans and millions of Americans who cannot read, write, or look forward to a life of fulfillment.

Education is one of the four E's that will make or break Nevada in the coming years, along with ethics, the environment, and economic development.

The Illiteracy Elimination Act is one of the most ambitious pieces of education legislation to be introduced in this Congress. I am proud to be a part of this solution. The Congress and the President, too, must help the 67,000 adults in Nevada and the 23 to 27 million nationwide who cannot read and write.

Mr. BURDICK. Mr. President, I am pleased to be among the original cosponsors of the Illiteracy Elimination Act of 1989, introduced by Senator SIMON. This bill addresses an urgent situation in our Nation. It has been estimated that between 23 and 27 million adult Americans are functionally illiterate. They are unable to read at the level necessary to complete a job application, to follow most written directions, or even to read their children a bedtime story. Not only is the quality of life affected by illiteracy's pervasive effects; sometimes, being able to read can mean survival itself.

The Illiteracy Elimination Act of 1989 includes six titles focusing on an impressive array of literacy promotion efforts. A quick scan of these titles provides evidence of Senator SIMON's understanding of the complicated nature of our Nation's illiteracy problem and of the need for a multifaceted approach to solving it. The bill provides for the coordination of national literacy research and programs, a work-force literacy program to upgrade job improvement skills, improvement of parental education to break the cycle of multigenerational illiteracy, a demonstration program providing free or inexpensive book distribution at public libraries, a "students for literacy" community services program in which college students would be employed part time to provide free reading instruction, and grants and contracts for ongoing volunteer programs providing literacy instruction.

As North Dakota's senior Senator, I am proud of our educational system. North Dakota's students are well served by it. Yet even North Dakota has an illiteracy problem. The U.S. Department of Education estimates that some 12 percent of North Dakota adults aged 20 years and older are functionally illiterate. This shows that the best intentions and the most dedicated education personnel cannot guarantee 100 percent literacy.

There are many reasons for illiteracy in our Nation. Students drop out of school or are pushed out due to economic or social strife. Overcrowded classrooms and lack of sufficient instructional materials allow some students to fall through the cracks of our educational system. There are those who have physical or mental disabilities which preclude their learning to read in the conventional way. Addiction to alcohol or other drugs robs young minds of their ability to decipher written materials.

Although the problem is large and complex, it is not unsurmountable. The President has declared his desire to be the "Education President," and the First Lady's efforts to promote literacy are well documented in the media. I applaud these demonstrations of concern by President and Mrs. Bush, and I hope that this concern will be translated into support for such worthy legislation as Senator SIMON's Illiteracy Elimination Act.

Mr. KOHL. Mr. President, I rise today to join my colleague from Illinois in the introduction of the Illiteracy Elimination Act of 1989.

For most of his public life Senator SIMON has committed a tremendous amount of personal time and effort to addressing the educational needs of our Nation and to helping to lift up those who have fallen through the cracks. He raised this issue far before it was the inthing to do. I have a great deal of respect for his work in this area and I am honored to be associated with this comprehensive legislation to eradicate illiteracy.

And we have a lot of illiteracy to eradicate.

Just last year, in my own State, a report by the Wisconsin Literacy 2000 Task Force identified 492,720 Wisconsin residents operating at or below the level of functional illiteracy. An additional 412,720 residents were identified as "at-risk" because they just don't have the basic skills required by an "information-age" society. Even worse, the task force estimated that those numbers in Wisconsin will increase by at least 10,000 per year because of the increasing school dropout rate and the number of functionally illiterate immigrants.

Those numbers demonstrate that we have our work cut out for us. But we know how to do that work. In fact we are doing it. We just aren't doing enough of it.

In Wisconsin we have a host of outstanding volunteer groups, community based organizations and a vocational, technical, and adult education community which is fully engaged. They don't have the resources needed, but they have all the spirit anyone could want. And as a result, they are reaching roughly 10 percent of the population that needs help.

Clearly, we aren't reaching enough people. But the help we give to the people we do reach is enough to change their lives. Let me give you some examples.

A Mazomanie man reached out for help because reading was the only thing he had not succeeded at. For years he had worked in a low-income maintenance job, depending on charts and diagrams to hide his inability to read the text of manuals. With the help of the Madison Literacy Council, he learned to read. He has a new job, health insurance for himself and his family, and he is continuing his education with the support of his employer. He is continuing to succeed.

There is the case of a Cambodian refugee who is the mother of two young children. Since settling in Wisconsin in 1986, she has studies in an English as a second language program, become a citizen of the United States and is already preparing for her GED. Her future, as well as that of her two children, is incredibly brighter as a result.

There is the remarkable story of a 79-year-old woman who worked to learn to read because she said, "It is never too late."

After her son was enrolled in Head Start, a young Mount Horeb woman sought 1-to-1 tutoring. All she wants is to be able to read to her child. I believe that simple act will yield all sorts of benefits for that family, and for their community.

In Stevens Points, the Community Action Program is working with 30 families, teaching parents reading and writing strategies that can be used in their own homes, regardless of their reading levels.

The success stories go on. We know how to fix the problem. But we haven't done it.

By all accounts there are at least 23 million adult Americans who are functionally illiterate. It is for those millions of families that this legislation is intended.

It is for thousands of businesses in this Nation who have discovered, to their horror, that many of the job candidates do not have the skills needed to fill out an application form.

It is for the country as a whole and I'll tell you why.

On an economic level, people, who can't read, can't get good jobs. Illiteracy costs the American economy $237 billion a year in the potential earnings of those who lack basic learning skills.

On an international level, people who can't read hurt our ability to compete. And that costs us billions of dollars in lost revenues and interest.

On a political level, people, who can't read, can't fully participate in our democracy. Our system of self-government cannot survive without the educated participation of the American people. In 1989, you must read to be informed. You must be informed to make sound decisions about who should run the government, and what our Nation's priorities should be. Educated and informed citizens are the foundation of a safe democracy. And illiteracy is silently threatening to destroy that foundation.

But even worse, on a human level, people, who can't read, can't fully share with their children the world of ideas and love of language and learning. Here in this Chamber we take the printed word for granted. Papers pile

up on our desks. Books are added to our shelves. We live by the printed word. And it's not just the words of our work; the printed word opens up the world of imagination to us: poets, playwrights, novelists—they tell us things about ourselves and our environment which we might not see without their help. To be denied access to the printed word is to be denied access to the totality of the human condition.

My point, Mr. President, is that reading is an economic act, it is a political act—but primarily it is a human act. It is a parent reading a bedtime story to a child. It is an adult discovering Shakespeare or Hemingway or Faulkner. It is the essence of what we are as human beings—creatures who can manipulate symbols and not just physical objects.

Reading, Mr. President, is a skill which we deny people only at the risk of denying them their full role as human beings.

With this legislation in place, we can make the progress we ought to make as a society—and we can help people make the progress they need to make as human beings. I urge my colleagues to join us in supporting this legislation.

I thank the Chair and yield the floor.

By Mr. ARMSTRONG (for himself, Mr. SYMMS, and Mr. BOSCHWITZ):

S. 1311. A bill to amend the Internal Revenue Code of 1986 to provide a 15-percent maximum rate on capital gains for sales or exchanges after the date of enactment of this act and before 1991, to provide indexing of the bases of capital assets sold or exchanged after 1990, to provide a 20-percent maximum rate on capital gains from small business stock, and for other purposes; to the Committee on Finance.

RELATING TO CAPITAL GAINS AND ASSETS RATES

● Mr. ARMSTRONG. Mr. President, I have come before this body many times to urge consideration of capital gains indexing. I am today introducing a bill that would index capital gains for inflation. Unlike previous indexing bills, however, I have included a provision to help small, growing companies that typically would not benefit very much from indexing because of their unique situation. And I have included a window of opportunity that not only raises the revenues to pay for indexing, but would also go a long way toward a solution to the budget dilemma facing the Congress in the near term.

Why is indexing of capital gains important? When a taxpayer buys and later resells an asset, he calculates a capital gains tax liability. The inflation that occurs between the time he buys the asset and the time he sells the asset will be reflected in the sale price. Part of the capital gain that he calculates reflects an increase in the asset's price due to inflation. This part of the gain is not real, it is a phantom, and it should not be taxed.

To excise the phantom of inflationary gains, my bill would allow taxpayers to index the purchase price of an asset for inflation provided they hold it for at least a year so that when the gain is calculated it is based on a comparison of apples to apples. Mechanically, indexing works by multiplying the purchase price by a ratio that reflects the growth in the gross national product deflator since the year the asset was purchased. This ratio would be published by the Internal Revenue Service in a simple table.

For example, if an asset's purchase price is $100, the sales price is $125, and the price level increases by 20 percent over the period the asset is held, then the ratio would be 1.2 and the inflation-adjusted basis would be $120. Without indexing, the taxpayer would be subject to tax on $25 of capital gain, only $5 of which represents real appreciation. If the taxpayer is allowed to index for inflation, on the other hand, he will be subject to tax only on the $5 or real appreciation.

The effect of capital gains indexing on reducing the tax disincentives to saving and investment is dramatic. In most cases, the effect of indexing is at least as great as that of reducing the capital gains tax rate. Consider the example above and compare three scenarios: One in which the taxpayer pays tax at a 28-percent rate on the full nominal gain; one in which the nominal gain is taxed but the rate is reduced to 15 percent; and one in which the real gain is taxed at a 28-percent rate. As the table below indicates, indexing reduces the tax by 34 percent more than does simple rate reduction.

	Tax rate (percent)	Capital gain	Tax liability
Current law	28	$25	$7.00
Rate reduction	15	25	3.75
Indexing	28	5	1.40

The Senate Finance Committee and, I would guess, every Senator in memory has spent a great deal of time and effort trying to make the Tax Code more fair, although we might not always agree on what fair means. Fairness is a very important objective to be sure. No matter how you define it, it is unfair for a taxpayer to have to pay tax on something that isn't real. It would be unfair to pay property tax on a house that doesn't exist. And it is unfair to tax people on capital gains due to inflation. Beyond a doubt, indexing is fair tax policy.

There is one important case in which indexing capital gains really doesn't help enough, and that is when a small company first tries to raise equity capital. When small companies first issue shares to raise capital, the buyers of these shares are taking a big risk in the hope that the company will strike it big. If the corporation is successful, then the share price will increase manyfold. Expressed another way, if the company is successful, then the original purchase price will be a tiny fraction of the sales price of the shares. Because indexing adjusts the purchase price for inflation, and because the purchase price is slight relative to the sales price, indexing offers little relief from capital gains taxes. As a result, it is difficult and expensive for young companies to raise the funds they need to grow.

For this reason, I have included in my bill a provision that would set a maximum tax rate of 20 percent on the capital gains that result when a taxpayer is the original shareholder of a small corporation and when he holds the shares for at least 4 years. It is very important that these businesses, which typically face much higher financing costs than do larger, more established companies, be able to raise the capital they need to grow. Setting a maximum tax rate of 20 percent for these corporations will provide a badly needed additional incentive to the marketplace to increase the availability and reduce the cost of equity capital.

Each of us, I think, understands the predicament before the Congress in raising over $5 billion in additional revenues to satisfy the budget reconciliation requirements, and a few billion more to pay for a number of expiring tax provisions, such as the R&D tax credit, the low-income housing tax credit, and the targeted jobs tax credit, to name just a few. So the actual amount we need to raise is probably nearer to the $10 to $12 billion range.

At the same time, however, we have a President who swept to a landslide victory with a promise of "No new taxes." I support the President's pledge not to raise taxes as do a very large number of my colleagues in the Senate. This does create a problem, however, when it comes to finding $10 billion or so to meet the reconciliation target and pay for the tax extras.

How do we resolve this dilemma? The administration has proposed reducing the tax rate on long-term capital gains, resulting in a political battle along very predictable and well-worn lines. If we continue down this road, with both sides playing political chicken, we are likely to be left by default with sequestration as our budget policy. Furthermore, if we continue down this road, many of the tax provisions that are scheduled to expire this year may, in fact, expire because we

may be unable to find a way to pay for them.

The Congress and the President obviously need more time to develop spending priorities and tax policies that the American people can support and that the Congress and the administration can adopt. We all know that the budget process has broken down, and it will take time and it will take political will to fix it. What I am proposing as part of my effort to reform the way we tax capital gains in this country is to create a 2-year window of opportunity to buy time to reform the budget process. If we fail to make meaningful reform, then 2 years from now the Congress will be back playing the kinds of political chicken and smoke and mirror games that have earned it such disrespect from the American people.

What I propose is to create a window in time in which taxpayers could realize their capital gains from the sale of corporate stock and tangible property held for at least 1 year at a maximum 15 percent rate of tax. The window would extend from the date of enactment to December 31, 1990 and would, therefore, extend over 2 fiscal years.

There are two advantages to a rate reduction window. First, by anyone's measure, it would raise billions of dollars in each of fiscal year 1990 and fiscal year 1991, thereby giving the Congress the time it needs to set tax and spending priorities. Second, reducing the rate for a short period would encourage individuals to rearrange their portfolios of assets, thereby promoting a more rational use of the Nation's capital.

To some of the inside-the-beltway crowd, the window offers a politically elegant solution to the same old problem. To tax purists, a label I would often don myself, the window is not a thing of beauty. To responsible legislators who see a need to come to grips with our near-term and long-term budget dilemmas, the window offers opportunity.

Many of my colleagues have no doubt seen articles and editorials criticizing the idea of a rate reduction window. What many of the writers of these articles oppose, in fact, is a rate reduction window in the absence of any other change. I would oppose such a window if that was all that was being proposed. I include a rate reduction window as part of my indexing proposal because it pays for indexing and for the small business tax relief, and because it creates a window of opportunity that will allow us to meet our reconciliation targets while struggling to develop a budget process that works.

The heart and soul of my bill is the indexation of capital gains and the one-time reduction in the capital gains tax rate facing original issue shareholders. Capital gains indexing is good tax policy. It will promote saving and investment and it will result in a fairer tax system. Helping small companies to raise capital to grow is also good tax policy. These are needed measures and I hope my colleagues will join me in trying to pass them.●

Mr. SYMMS. Mr. President, I want to join my colleague from Colorado [Mr. ARMSTRONG] in introducing today a bill to provide for indexing of income from the sale of capital assets. I disagree with him that the range of assets must be narrowed, however, and I have an amendment that I will be offering at the appropriate time.

In brief, my amendment broadens the definition of assets included in the Armstrong bill to include everything. I understand why the Senator from Colorado limited his bill to financial assets and assets used in business, but I think all assets should be included.

For the RECORD, the text of my amendment is as follows:

On page 9, beginning with line 22, strike all through page 10, line 3, and insert:

"(1) INDEXED ASSET.—For purposes of this section, the term 'indexed asset' means any asset the gain or loss from which, in the hands of the taxpayer, is treated as gain or loss from the sale or exchange of a capital asset, including property used in a trade or business (as defined in section 1231(b))."

EQUAL MARGINAL TAX RATES AND INFLATION'S EFFECT

Indexing of capital gains is essential if we are to have a tax system that puts the same real marginal tax rate on capital as we put on labor. Equality of the rates on income from all sources was one of the policy objectives of the 1986 Tax Reform Act, but we did not achieve it. Our present system imposes a higher real marginal tax rate on capital, because the top rates—a range between 28 and 33 percent—are imposed on the nominal gains, even though part of the nominal gains are due to multiyear inflation. Labor income is indexed, by means of widening the brackets to keep them in the same relative position after inflation, but capital gains is not.

Under today's tax law, a 10-percent gain over a period suffering 5-percent inflation is taxed at a real marginal rate of 56 to 66 percent. The real gain is only 5 percent, but the tax is imposed on all the real gains, plus the nominal growth in principal to cover inflation. In other words, the tax actually confiscates some of the principal.

Inflation is often called "rising prices," but it is also "a shrinking dollar." Picture a jar filled with large marbles; now picture the same jar filled with small marbles. I am trying to describe one jar filled at different times with two different sizes of marbles. More small marbles are able to fit in the jar, even though the volume is the same. A capital asset that appreciates partly due to inflation is like that jar. When you buy it, the dollar is more valuable—larger in purchasing power. Later you may sell the asset, and you are paid in smaller dollars—each one with less purchasing power. But we measure its sales price by counting the numbers of small dollars, and we measure its purchase price by the number of larger dollars. Your capital gain is figured by subtracting the number of large marbles from the number of small marbles. You can see how this is inaccurate and unfair.

Only at zero inflation does the tax rate on capital equal the tax rate on labor. Under present law, the unindexed tax rate on capital is always higher than the tax rate on labor income.

CONFUSION OF LABOR INCOME AND CAPITAL INCOME

If there were no difference between the way income from labor and income from capital gains is earned, those who oppose any kind of adjustment for inflation in the appreciation in the price of an asset over time might have a point. But in fact, this is the central point. Workers receive income from their labor as a continuous flow over time: They typically don't control when they receive it. Income from capital gains, however, is always fully under the discretionary control of the seller. He can choose to take it this year or wait until the distant future.

Owners of capital never have to pay capital gains tax if they simply hold on to their property. Selling an asset in order to buy a more useful or productive one, however, improves the efficiency of our market system. When we tax the rollover, we impose a wedge between the two possible uses of the capital investment. The newer, higher yield investment has to earn enough more to make the investor come out ahead after taxes, or he will choose to make no changes—no reinvestment will occur at all, and no tax will be paid. Society is often the loser from the reluctance of investors to move capital to a more productive use.

The socially optimal economic tax rate on capital gains is clearly zero for that reason—and we already tax savings and investment more heavily than our international competitors, and we tax savings once when the money is earned and before it can be initially invested. In order to encourage investments to be made for economic reasons rather than for tax reasons, we need to make the tax system neutral to the investor. A cash flow consumption tax would be the ideal system of taxation—permitting the movement of savings from investment project to investment project in response to the real needs of society. Under a cash flow consumption tax, individuals would be taxed on their income when they withdrew it from its productive applications and used it for their personal, private ends—for consumption.

But, of course, we are not able to approach that kind of more ideal system

of taxation at this time. Moreover, there is something to be said for a single marginal rate of tax on both labor income and capital income, adjusted for inflation, although there is no reason to believe that 28 percent is the rate of tax on capital that would maximize tax revenue. Except by experimenting with different rates, there is no way to know in advance what the revenue-maximizing capital gains tax rate would be.

WHY ALL ASSETS SHOULD BE INCLUDED

The Senator from Colorado has told me that he included in his bill only the assets that the President's proposal last March covered because he wanted to keep the debate over what form of capital taxation we should have focused on the issue of taxation, and not sidetracked over a debate over different merits for different assets—and all the technical details about different kinds of assets.

I am not sure I agree with that strategy. To me it seems clear than if a factory owner wanted to sell his factory and buy a rare painting to hang in his home, or wanted to get out of the stock market and put his entire investment into a collection of gold coins, the tax system ought not to pass judgment. The tax system ought to be neutral. Under the Senator's bill, the man could obtain capital gains treatment for selling the factory or the stock market portfolio, but if he wanted to do the exact opposite—to sell his rare paintings and build a factory, or to sell his gold coins and invest in the stock market—the tax system would actually discourage him.

I do not think the distinction that is often made, between so-called productive assets and so-called unproductive assets is a valid distinction; I think it is all in the eyes of the beholder what they call productive or unproductive. You tend to call unproductive those things you disapprove of, or those things that you yourself would not invest in. But the actual investor in paintings, or coins, or yachts, is earning some subjective marginal utility value from those holdings, and those assets are producing the services associated with their creation. But regardless of this quibble over how we label things in economics, it seems clear to me that all of us should favor the creation of more jobs, more demand for workers, who themselves may not have very much in the way of savings and investments. After all, it is by accumulating capital that productivity and hence wages can increase over time. Therefore, I believe it is very important not to discriminate among different kinds of assets in this tax proposal.

There is a very positive revenue effect from adopting a capital gains tax system. This is called the "unlocking effect," as it permits investors to move their investments without giving up so much of their capital in the process. This is because "locking," or the tendency for holders of appreciated property not to sell it if they have to pay taxes on the sale, increases more as the tax rate rises; "unlocking" increases as the tax rate falls.

LONG-TERM PLANNING MUST BE ENCOURAGED

The most important reason to have an indexed tax system for capital investments, however, has to do with the ability of our society to make longer term plans. Today capital investment is faced with an uncertain future tax rate because we face uncertainty about inflation. With indexing, the future tax rate would be fixed at a real 28 percent, and it could not rise higher unless Congress increased it explicitly. This benefit alone, I believe, justifies improving our Tax Code in this way. The fact that it can be done in a way that increases revenue is an additional benefit—and one that should appeal to Congressmen and Senators who want more to spend for social programs.

The opponents of lower capital gains tax rates have argued that the pecuniary benefits go to the wrong people. They very seldom admit that there are social benefits, even for the employed person who is not himself an investor, as capital investment adds to our national productivity and competitiveness. That's a very curious position for them to adopt, however, because in our society we recognize that natural endowments of talent, property, and luck are not equal, and that a free society has many more advantages than one where those endowments are forced to a common level. As Members of Congress, we have a duty to make our tax laws conform with the incentives that drive a free market system—not to make policy on the basis of our belief in the moral virtue of a particular social class.

A capital gains tax rate that encourages the wealthy to sell and reinvest their capital for greater productivity—and pay part of it to the Treasury in the process—is certainly a better result all around than a tax system that discourages any wealthy person from ever selling and reinvesting, and thus reduces potential revenues to the Treasury. It is simply common sense to fix the 1986 tax law to reduce the real marginal tax on capital to equal that of the tax rate on labor income. It is also the only fair thing to do.

By Mr. KERRY (for himself, Mr. D'AMATO, Mr. LEVIN, and Mr. SANFORD):

S. 1312. A bill to improve the ability of States and localities impacted by narcotics related crime to monitor, track, and prosecute major narcotics offenders, money launderers, and youth gangs involved in narcotics trafficking and money laundering operations; to the Committee on the Judiciary.

IMPROVING INTELLIGENCE REGARDING NARCOTICS TRAFFICKING AND MONEY LAUNDERING OPERATIONS

Mr. KERRY. Mr. President, anyone with his eyes open knows how serious the narcotics problem is across this country. But recently, I asked the FBI to provide me with statistical summaries of criminal activity across the United States. And what the statistics clearly showed is that increasingly, cocaine is the crime problem in the United States. When you look at the statistics, when you see more cocaine, you see more crime—more violent crime—more crimes against property—more crimes against people.

Local law enforcement has already responded valiantly to the problem. Police are arresting more people in connection with cocaine, and more people are going to prison for drug trafficking.

And yet, the price of cocaine keeps going down. The supply of cocaine appears unchanged, or is even increasing.

National criminal justice statistics demonstrate that rather than hire more law enforcement officers, we are relying on the same numbers to work harder in the war on drugs across the Nation. The police need help to do their job. Yesterday, I cosponsored legislation to establish a new national program for recruiting and training local police, called "The Police Corps," which would provide Federal scholarship money for educating and training a corps of young police officers who would serve 3 to 4 years to supplement regular police.

Today I am introducing legislation on behalf of myself, Senators D'AMATO, LEVIN, and SANFORD which tries to address this situation by creating a lever to improve the capability of local law enforcement people to fight the war on drugs. The lever is support from the Federal Government for the first time for local and State drug intelligence units.

I think it is clear that more arrests by themselves will not slow the flow of drugs into our Nation. The drug traffickers have grown into ever bigger networks of trafficking. Local police and DA's have told me time and again that they still lack the resources to make the best possible cases against the most significant narcotics trafficking organizations. We can and must help.

This bill will provide $120 million in desperately needed funds to local police departments across the country to develop better drug intelligence gathering networks to help wage a real war against drugs.

For too long, we have heard how drug trafficking organizations have better communications equipment, better electronic intelligence, even better computers than law enforcement—and that our police lack the

tools they need to go beyond the local distributors of drugs to the big organizations that move the drugs into the communities.

When I was a prosecutor in Middlesex County, I remember the frustration of not having the right equipment to make the buys or to track down information on drug offenders. For that to still be the case today when drugs are overrunning our communities is not acceptable. That is why I am very hopeful that this legislation will become law and we can begin to provide essential resources for our police departments.

I ask unanimous consent that the full text of the legislation, as well as the factsheet describing it, be inserted in the RECORD.

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

S. 1312

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 "Drug Intelligence Assistance Act of 1989".

SEC. 2. ESTABLISHMENT AND AUTHORIZATION OF PROGRAM.

Part E of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3750 et seq.) is amended by—

(1) redesignating subpart 3 as subpart 4;

(2) redesignating sections 520, 521, and 522 as sections 530, 531, and 532, respectively; and

(3) adding after subpart 2 the following new subpart:

"Subpart 3—Drug Intelligence

"PURPOSES

"SEC. 520. (a) The purpose of this subpart is to improve the ability of States and units of local government impacted by narcotics related crime to monitor, track, and prosecute major narcotics offenders and money launderers, as well as youth gangs involved in narcotics activity, by improving intelligence regarding narcotics trafficking and money laundering operations.

"(b) The Director is authorized to make grants to—

"(1) States and units of local governments as provided in section 521; and

"(2) cities as provided in section 522,

to establish local and regional drug intelligence units.

"(c) Grants under this subpart shall be used for the following activities:

"(1) establishing, maintaining, and improving antinarcotics and money laundering intelligence units at the State and local level;

"(2) developing better interstate and intrastate narcotics intelligence networks and systems, including the acquisition of appropriate electronics and computer technologies for the purpose of detecting and monitoring narcotics trafficking and money laundering enterprises, including youth gangs engaged in such activities;

"(3) organizing, educating, and training special drug intelligence units to combat narcotics trafficking and money laundering enterprises, including youth gangs engaged in such activities;

"(4) organizing, educating, and training regular law enforcement officers and law enforcement reserve units to combat narcotics trafficking and money laundering enterprises, including youth gangs engaged in such activities;

"(5) recruiting and organizing neighborhood participation in the development of narcotics related intelligence;

"(6) enhancing State and local efforts to apprehend and prosecute significant narcotics trafficking or money laundering enterprises or operations, including individuals involved in youth gangs engaged in such activities; and

"(7) developing intelligence on narcotics trafficking or money laundering enterprises, and prosecuting criminals engaged in such enterprises.

"ALLOCATION AND DISTRIBUTION OF FUNDS UNDER FORMULA GRANTS TO STATES AND UNITS OF LOCAL GOVERNMENT

"SEC. 521. (a) Amounts appropriated for this section in any fiscal year shall be allocated to States as follows:

"(1) $500,000 shall be allocated to each of the participating States; and

"(2) of the total funds remaining after the allocation under paragraph (1), there shall be allocated to each State an amount which bears the same ratio to the amount of remaining funds appropriated under this section as the population of such State bears to the population of all the States.

"(b)(1) Each State which receives funds under subsection (a) of this section in a fiscal year shall distribute 40 percent of such funds among units of local government of less than 100,000 in population in such State for the purpose of developing Statewide drug intelligence systems focusing on those areas where most drug-related offenses occur outside a major metropolitan area.

"(2) In distributing funds received under this section among urban, rural, and suburban units of local government and combinations thereof, the State shall give priority to those jurisdictions with the greatest need.

"(3) Any funds not distributed to units of local government under paragraph (2) shall be available for expenditure by the State involved.

"(4) For purposes of determining the distribution of funds under paragraphs (1) and (2), the most accurate and complete data available for the fiscal year involved shall be used. If data for such fiscal year are not available, then the most accurate and complete data available for the most recent fiscal year preceding such fiscal year shall be used.

"(c)(1) To request a grant under this section, the chief executive officer of a State shall submit an application in compliance with the provisions of section 503.

"(2) No funds allocated to a State under subsection (a) or received by a State for distribution under subsections (b) and (c) may be distributed by the Director or by the State involved for any program other than a program contained in an approved application.

"(d) If the Director determines, on the basis of information available during any fiscal year, that a portion of the funds allocated to a State for that fiscal year will not be required or that a State under this section, then such portion shall be awarded by the Director to urban, rural, and suburban units of local government or combinations thereof within such State giving priority to those jurisdictions with greatest need.

"(e) Any funds allocated under subsection (a) that are not distributed under this section shall be available for obligation under section 522.

"ALLOCATION AND DISTRIBUTION OF FUNDS UNDER FORMULA GRANTS TO CITIES

"SEC. 522. (a) Amounts appropriated for this section in any fiscal year shall be allocated to urban units of local government as follows:

"(1) $250,000 to each unit with a population between 100,000 and 250,000;

"(2) $350,000 to each unit with a population between 250,001 and 500,000;

"(3) $500,000 to each unit with a population between 500,001 and 1,000,000; and

"(4) $750,000 to each unit with a population over 1,000,000.

"(b)(1) To request a grant under this section, the chief executive officer of a city shall submit an application in compliance with the provisions of section 503, except that any reference in such section to the 'chief executive officer of a State' and a 'State' shall be deemed to be a reference to the 'chief executive officer of a city' and a 'city'.

"(2) No funds allocated to a city under subsection (a) may be distributed by the Director or by the city involved for any program other than a program contained in an approved application.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 523. (a) Notwithstanding section 1001, there is authorized to be appropriated—

"(1) $63,000,000 for grants under section 521; and

"(2) $57,000,000 for grants under section 522,

for each of the fiscal years 1990, 1991, and 1992.

"(b) No funds appropriated under section 1001 shall be available for programs under this subpart.".

SEC. 3. CONFORMING AND TECHNICAL AMENDMENTS.

(a) AMENDMENTS TO PART E.—(1) Section 530 of part E of the Omnibus Crime Control and Safe Streets Act of 1968, as redesignated by section 2 of this Act (old section 520) is amended—

(A) in subsection (a)(2), by striking "funded under" through "part" and inserting "funded under sections 506, 511, 521, and 522 of this part"; and

(B) in subsection (b)(2), by striking "funded under" through "part" and inserting "funded under sections 506, 511, 521, and 522 of this part".

(2) Section 532 of such Act (old section 522) is amended—

(A) in subsection (a)—

(i) by inserting after "section 506" the following: "and section 521";and

(ii) inserting "or subpart 3" after "subpart 2" in paragraph (2); and

(B) in subsection (b)—

(i) by striking "and subpart 2" in paragraph (1) and inserting ", subpart 2, and subpart 3"; and

(ii) by inserting "and subpart 3" after "subpart 1" in paragraph (2).

(b) AMENDMENTS TO TABLE OF CONTENTS.—The table of contents of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3711 et seq.) is amended by—

(1) redesignating subpart 3 of part E as subpart 4 and redesignating sections 520, 521, and 522 as sections 530, 531, and 532, respectively; and

(2) inserting after subpart 2 the following:

"Subpart 3—Drug Intelligence

"Sec. 520. Purposes.

"Sec. 521. Allocation and distribution of funds under formula grants to States and units of local government.

"Sec. 522. Allocation and distribution of funds under formula grants to cities.

"Sec. 523. Authorization of appropriations.".

FACT SHEET—THE DRUG INTELLIGENCE ASSISTANCE ACT OF 1989

Purpose: To improve the ability of states and localities impacted by narcotics-related crime to monitor, track, and prosecute major narcotics offenders and money launderers by improving intelligence regarding narcotics trafficking and money laundering operations.

Funding: To seek $210 million in new funding for assistance to states and local governments in establishing a network of drug intelligence units.

How divided?: Would consist of two forms of fundings:

Formula grants to each State: $63 million. Of this amount, $500,000 to each State to establish drug intelligence units, with the funds to be spent on computers, electronic intelligence and communications, and personnel for drug intelligence taskforces which would help cities and states make the big busts they need to fight the war on drugs. (Cost: $25 million, the remaining $38 million in formula grants would go to each State on the basis of the State's relative share of the total U.S. population as determined by the Bureau of the Census provisional estimates; Massachusetts, for example, would receive about $1.4 million; California $5.5 million).

Forty percent of the funding of the formula grants will be passed on by the states to the localities through discretionary grants to cities and towns of less than 100,000 in population. The discretion given to the states in determining how to divide up the 40 percent among localities is to facilitate the development of a state-wide drug intelligence system that focuses on those areas where most drug-related offenses occur.

Formula grants to each city with a population of over 100,000: $250,000 to each city with a population between 100,000 and 250,000; $350,000 to each city with a population between 250,000 and 500,000; $500,000 to each city with a population between 500,000 and 1,000,000; and $750,000 to each city with a population of a million or more.

Cost: 250,000 × 122 = $30.5 million; 350,000 × 37 = $13.0 million; 500,000 × 15 = $7.5 million; 750,000 × 8 = $6.0 million.

Total $57.0 million.

Oversight: Prior to receiving any federal funds, each state must develop a statewide drug intelligence strategy after consultation with state and local officials whose duty it is to enforce drug and criminal laws, and provide that strategy to the Justice Department.

Purposes for which the funds may be used:

1. Developing better interstate and intrastate narcotics intelligence networks and systems, including the acquisition of appropriate electronics and computer technologies for the purpose of detecting and monitoring narcotics trafficking and money laundering enterprises.

2. Organizing, educating and training special drug intelligence units to combat narcotics trafficking and money laundering enterprises.

3. Organizing, educating and training regular law enforcement officers and law enforcement reserve units to combat narcotics trafficking and money laundering enterprises.

4. Recruiting and organizing neighborhood participation in the development of narcotics related intelligence.

5. Enhancing state and local efforts to apprehend and prosecute significant narcotics trafficking or money laundering enterprises or operations.

6. Developing intelligence on narcotics trafficking or money laundering enterprises, and prosecuting criminals engaged in such enterprises.

NEW ASSISTANCE AUTHORIZED

[Amounts to cities are in addition to amounts for States; State amounts are approximations; actual amounts would depend on most recent census figures]

	Million
Alabama	1.200
Birmingham	.350
Huntsville	.250
Mobile	.250
Montgomery	.250
Alaska	.580
Anchorage	.250
Arizona	1.000
Glendale	.250
Mesa	.350
Phoenix	.500
Scottsdale	.250
Tempe	.250
Tucson	.350
Arkansas	.860
Little Rock	.250
California	4.700
Anaheim	.250
Bakersfield	.250
Chula Vista	.250
Concord	.250
Fremont	.250
Fresno	.350
Fullerton	.250
Garden Grove	.250
Hayward	.250
Huntington Beach	.250
Inglewood	.250
Long Beach	.350
Los Angeles	.750
Modesto	.250
Oakland	.350
Ontario	.250
Orange	.250
Oxnard	.250
Pasadena	.250
Pomona	.250
Riverside	.250
Sacramento	.350
San Bernardino	.250
San Diego	.750
San Francisco	.500
San Jose	.500
Santa Ana	.250
Stockton	.250
Sunnyvale	.250
Torrance	.250
Colorado	1.000
Aurora	.250
Colorado Springs	.350
Denver	.500
Pueblo	.250
Connecticut	.980
Hartford	.250
New Haven	.250
Stamford	.250
Waterbury	.250
Delaware	.600
District of Columbia	.500
Florida	2.500
Fort Lauderdale	.250
Hialeah	.250
Hollywood	.250
Jacksonville	.500
Miami	.350
Orlando	.250
St. Petersburg	.250
Tallahassee	.250
Georgia	1.500
Atlanta	.350
Columbus	.250
Macon	.250
Savannah	.250
Hawaii	.660
Honolulu	.350
Idaho	.650
Boise	.250
Illinois	2.300
Chicago	.750
Peoria	.250
Rockford	.250
Springfield	.250
Indiana	1.200
Evansville	.250
Fort Wayne	.250
Gary	.250
Indianapolis	.500
South Bend	.250
Iowa	1.200
Cedar Rapids	.250
Des Moines	.250
Kansas	1.100
Kansas City	.250
Topeka	.250
Wichita	.350
Kentucky	1.260
Lexington-Fayette	.250
Louisville	.350
Louisiana	1.300
Baton Rouge	.250
New Orleans	.500
Shreveport	.350
Maine	.680
Maryland	1.300
Baltimore	.500
Massachusetts	1.400
Boston	.500
Springfield	.250
Worcester	.250
Michigan	1.900
Ann Arbor	.250
Detroit	.750
Flint	.250
Grand Rapids	.250
Lansing	.250
Sterling Heights	.250
Warren	.250
Minnesota	1.300
Minneapolis	.350
St. Paul	.350
Mississippi	1.100
Jackson	.250
Missouri	1.400
Independence	.250
Kansas City	.350
St. Louis	.350
Springfield	.250
Montana	.620
Nebraska	.750
Lincoln	.250
Omaha	.350
Nevada	.650
Las Vegas	.250
Reno	.250
New Hampshire	.650
New Jersey	1.700
Elizabeth	.250
Jersey City	.250
Newark	.350
Paterson	.250
New Mexico	.950
Albuquerque	.350
New York	3.300
Buffalo	.350
New York City	.1.000
Rochester	.250

Syracuse	.250
Yonkers	.250
North Carolina	1.500
Charlotte	.350
Durham	.250
Greensboro	.250
Raleigh	.250
Winston-Salem	.250
North Dakota	.600
Ohio	2.200
Akron	.250
Cincinnati	.350
Cleveland	.500
Columbus	.500
Dayton	.250
Toledo	.350
Youngstown	.250
Oklahoma	1.000
Oklahoma City	.350
Tulsa	.350
Oregon	.920
Eugene	.250
Portland	.350
Pennsylvania	2.500
Allentown	.250
Erie	.250
Philadelphia	.750
Pittsburgh	.350
Rhode Island	.650
Providence	.250
South Carolina	1.000
South Dakota	.600
Tennessee	1.200
Chattanooga	.250
Knoxville	.250
Memphis	.500
Nashville-Davidson	.350
Texas	2.900
Abilene	.250
Amarillo	.250
Arlington	.250
Austin	.350
Beaumont	.250
Brownsville	.250
Corpus Christi	.350
Dallas	.750
El Paso	.350
Fort Worth	.350
Garland	.250
Houston	.750
Irving	.250
Laredo	.250
Lubbock	.250
Odessa	.250
Pasadena	.250
Plano	.250
San Antonio	.500
Waco	.250
Utah	.950
Salt Lake City	.250
Vermont	.580
Virginia	1.400
Chesapeake	.250
Hampton	.250
Newport News	.250
Norfolk	.350
Portsmouth	.250
Richmond	.250
Roanoke	.250
Virginia Beach	.350
Washington	1.200
Seattle	.350
Spokane	.250
Tacoma	.250
West Virginia	1.000
Wisconsin	1.200
Madison	.250
Milwaukee	.500

By Mr. PRYOR (for himself, Mr. COCHRAN, Mr. FOWLER, Mr. BUMPERS, and Mr. DECONCINI):

S. 1313. A bill to provide that all persons marketing cotton in the United States participate in defraying costs of the research and promotion program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

COTTON RESEARCH AND PROMOTION ACT AMENDMENTS

Mr. PRYOR. Mr. President, today I rise to introduce the Cotton Research and Promotion Act Amendments of 1989. This bill would amend the Cotton Research and Promotion Act of 1966 to provide producers an opportunity to express support for a significantly stronger, more adequately financed program. This bill has been endorsed by 54 local, regional, and national cotton organizations representing producers, ginners, crushers, merchants, warehouses, cooperatives, and manufacturers. This legislation is a natural extension of the 1966 act, and I hope it will meet with broad approval from my colleagues.

The Cotton Research and Promotion Act of 1966 has had remarkable success in allowing cotton to recapture its share of the world marketplace. The bill I am introducing today should serve only to strengthen that position. Cotton faces a continuing competition from synthetic fibers, and the volume of imported products containing foreign grown cotton now accounts for nearly half of U.S. domestic cotton consumption at retail.

Mr. President, I strongly urge my colleagues to join me in supporting this legislation so that a mainstay of American agriculture can continue to strengthen itself in the world marketplace. This self-help piece is an example of what has enabled our agriculture to gain a prominent place in global agriculture, and it will take legislation such as this to assure that we maintain and build on this strength.

Mr. President, I ask unanimous consent that an explanation of the bill be printed in the RECORD.

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

BRIEF EXPLANATION OF THE COTTON RESEARCH AND PROMOTION ACT AMENDMENTS OF 1989

(1) The bill contains procedures for the issuance of an amendment to the Cotton Research and Promotion Order which—

Provides for importers of upland cotton and cotton products (other than industrial products) to be subject to an assessment; in the case of imported products, the assessment would apply to the upland cotton content of the imported product.

Provides for importers to pay a rate of assessment that would be determined in the same manner as the rate paid by producers, but the assessment resulting from such rate would be reduced by a percentage equivalent to the overall proportion of exports that were reentered into the United States in the form of cotton and cotton products in the most recent year for which statistics are available.

Provides for an exemption for (1) any entry of cotton, including the cotton content of cotton products, that has a value or weight less than a *de minimis* figure established by the Secretary, and (2) all entries by an importer during the year if they total less than a *de minimis* amount established by the Secretary.

Provides for an appropriate number of importers to serve on the Cotton Board.

Provides for termination of the Cotton Board's authority to process applications for refunds if the amendment to the order is approved in a referendum.

Increases from $200,000 to $300,000 the expenses for which the Secretary is reimbursed that are incurred in connection with a referendum, and provides that the agency or Government which assists in administration of the import provisions would be reimbursed for reasonable expenses that it incurs in its work.

(2) The procedures for issuing the foregoing amendment to the Order, require that—

Within 120 days after the date of enactment of the bill, the Secretary would issue proposed implementing regulations after notice and opportunity for public comment.

Within eight months after the date of enactment of the bill, a referendum would be held and the amendment would become effective on an interim basis if approved by a majority of producers voting.

If approved, another referendum would be held among producers and importers between 15 and 30 months after the date of enactment of the bill to confirm approval of the amendment. The amendment would no longer be effective if disapproved by a majority of producers and a majority of importers voting; if approved, the Secretary would issue final implementing regulations.

Assessments collected from importers would be held in escrow pending results of the referendum in which importers participate and would be refunded, if the amendment is disapproved upon demand by the importer that paid the assessment in accordance with regulations and within a time period prescribed by the Board.

If the foregoing referendum occurs, once every five years thereafter, producers and importers may request another referendum to determine whether the amendment should continue, or if it is not then in effect, whether the amendment should become effective. The amendment would be subject to a referendum if ten percent of producers and importers request the referendum; *Provided*, That not more than 20 percent of the persons making the request represent producers from any one State or importers of cotton. The amendment would be effective unless disapproved by a majority of producers and a majority of importers voting in the referendum.

Mr. FOWLER. Mr. President, I rise today to join my colleagues Senator PRYOR and Senator COCHRAN in introducing the Cotton Research and Promotion Amendments Act of 1989.

These kinds of checkoff programs have been very popular and very successful for a number of commodities—because they are essentially self-help programs. We allow the cotton industry and other commodity producers to develop the market for their products, coordinating their efforts throughout the process, from research and product development to advertising.

These amendments would extend the logic of these successful programs

to allow cotton growers to determine what is in their program accordingly through a referendum process. This legislation is supported by a broad base of cotton producers, ginners, crushers, merchants, warehouses, cooperatives, and manufacturers.

The cotton marketing program has been very successful in rebounding from the losses of the last few decades. Our people have rediscovered cotton. Increasingly they realize that no man-made synthetic can equal the clean, comfortable, natural fiber that comes from the fields of the South.

But that does not mean that American cotton growers are not still hard-pressed by competition. This legislation would allow cotton producers to strengthen the program. The most obvious need is for increased funding.

The program currently relies on income generated by uniform assessment on domestically produced raw upland cotton. Our legislation would give our farmers the choice of adding an assessment to imported cotton, which also benefits from the cotton marketing program in competition with synthetic fiber. Imports also benefit from consumer awareness of cotton and new product development.

In fact, cotton imports have grown to 40 percent of U.S. consumption. These amendments in no way restrict imports of cotton products. But they do allow domestic producers to decide whether importers should pay their fair share to receive the benefits of the marketing program.

The referendum called for under this legislation would not be about increasing assessment rates, changing procedures for dispersing funds, or establishing unfair advantages for any segment of the market. It treats domestic upland cotton and the cotton content of imported products exactly the same and requires the same assessment for both.

It also allows for built-in review and modification of the program on a regular basis. If we have learned anything about trade and markets in recent years, as we have faced stiffer challenges from foreign competitors, it is that these things do not remain static. We live in a changing world with ever changing marketing needs and opportunities.

We can't afford to remain static in any business. We have to continually explore new areas of research and product development, advertising and promotion. That goes for cotton as well as computers.

I want to emphasize that we are in no way talking about providing any Federal funding assistance. Cotton producers are willing and able to do this on their own. They are not asking for a Federal handout. They are merely asking us to change the rules of their marketing program so that they can help themselves.

By Mr. BOREN (for himself, Mr. PRYOR, Mr. FOWLER, and Mr. DASCHLE):

S. 1314. A bill to amend the Honey Research, Promotion, and Consumer Information Act to improve the coordinated program of research, promotion, and consumer education established for honey and honey products, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

AMENDING THE HONEY, PROMOTION, AND CONSUMER INFORMATION ACT

● Mr. BOREN. Mr. President, today I am introducing the Honey Research, Promotion, and Consumer Information Act of 1989 along with my colleagues, Senators PRYOR, FOWLER, and DASCHLE. This bill will simply make technical changes in the existing honey research and promotion program.

Frist, this bill would allow one of the two seats on the honey board now allotted for importers to be filled by an exporter. The need for this change is reflected in the recent drop in honey imports to the United States. Honey imports have decreased from 13.8 million pounds in 1985 to 5.8 million pounds in 1987.

This bill also provides that those honey producers or producer-packers that produce less than 6,000 pounds would qualify for the assessment exemption only if the honey is consumed at home, donated, or distributed directly by the producer through a retail outlet.

Another important provision of the bill is that which clarifies existing law to allow for patents and copyrights developed with honey board funds to be the property of the Board.

Finally, the bill makes additional changes in the way assessments are made on honey under the loan program and in the way refunds are paid back to importers.

Mr. President, these changes are technical in nature. However, they are very important to the continued success of the honey promotion program; the amendments will allow the program to run more fairly and efficiently. The changes are supported by both the American Honey Producers Association and the Beekeepers Federation. I urge my colleagues to support this legislation and I ask unanimous consent that both the bill and a section-by-section analysis be printed in the RECORD.

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

S. 1314

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Honey Research Promotion, and Consumer Information Act Amendments of 1989".

DEFINITIONS

SEC. 2. Section 3 of the Honey Research, Promotion, and Consumer Information Act (7 U.S.C. 4602) is amended by adding at the end thereof the following new paragraph:

"(18) The term 'exporter' means any person who exports honey or honey products from the United States.".

REQUIRED TERMS OF AN ORDER

SEC. 3. Section 7 of the Honey Research, Promotion, and Consumer Information Act (7 U.S.C. 4606) is amended by—

(a)(1) amending subsection (b)(1) by inserting after the first sentence the following new sentence: "A State association may nominate not more than one person from such State to serve on the Committee.";

(2) amending subsection (b)(5) by inserting after the first sentence the following new sentence: "The Committee may nominate not more than one person for each member or alternate position on the Honey Board."; and

(3) amending subsection (c)(2) by striking out in the second sentence "or alternates";

(b) amending subsection (c)(2)(C) to read as follows: "(C) two members who are either importers or exporters of which at least one shall be an importer, appointed from nominations submitted by the Committee from recommendations by industry organizations representing importer and exporter interests";

(c) amending subsection (c)(4) by striking out the period at the end thereof and inserting in lieu thereof the following: "; except that, if as a result of redistricting the residence of the member or alternate is no longer in the region from which such person was appointed, such member or alternate may serve out the term for which such person was appointed.";

(d) amending subsection (e)(2) to read as follows:

"(2) A producer or producer-packer who produces or produces and handles less than six thousand pounds of honey per year or an importer who imports less than six thousand pounds of honey per year shall be exempt from the assessment if such producer, producer-packer, or importer consumes at home, donates, or distributes directly through local retail outlets the entire amount so produced, produced and handled, or imported. In order to claim such exemption, a person shall submit an application to the Honey Board stating that the person's production, handling, or importation of honey for the year for which the exemption is claimed shall meet the requirements of this paragraph. If, after a person receives an exemption from the assessment for any year, such person no longer meets the foregoing requirements of this paragraph for an exemption, such person shall file a report with the Honey Board in the form and manner prescribed by the Board and pay the assessment on or before March 15 of the subsequent year on all honey produced or imported during the year."; and

(e) A new subsection (h) is added at the end thereof as follows:

"(h) Any patents, copyrights, inventions, product formulations, or publications developed through the use of funds collected by the Board shall be the property of the Board and any funds generated from such patents, copyrights, inventions, or publications shall inure to the benefit of the Board.".

COLLECTION OF ASSESSMENTS; REFUNDS

SEC. 4. Section 9 of the Honey Research, Promotion, and Consumer Information Act (7 U.S.C. 4608) is amended by—

(a) amending subsection (d) to read as follows:

"(d) In any case in which a loan is made with respect to honey under the Honey Price Support Loan Program, the Secretary shall provide for the assessment to be deducted from the disbursement of any loan funds made to the producer and for the amount of such assessment to be forwarded to the Honey Board. The Secretary shall provide for the producer to receive a statement of the amount of the assessment deducted from the loan funds promptly after each time any loan funds are disbursed.";

(b) amending subsection (f) by inserting "and persons receiving an exemption from the assessment" immediately before "shall maintain and make available for inspection by the Secretary such books and records";

(c) amending subsection (h) to read as follows:

"(h) Any producer or importer may obtain a refund of the assessment collected from the producer or importer if demand is made within the time and in the manner prescribed by the Honey Board and approved by the Secretary; except that during any year the amount of refunds made to each importer, as a percentage of total assessments collected from such importer, shall not exceed the amount of refunds made to domestic producers as a percentage of total assessments collected from such producers. Such refund shall be made by the Honey Board in June and December of each year, and a producer who has obtained a Honey Price Support Loan may obtain a refund at that time if the producer has submitted to the Honey Board the statement received under subsection (d) of the amount of assessment deducted from the loan funds and has otherwise complied with the provisions of this subsection, even though the loan with respect to which the assessment was collected may still be outstanding and final settlement has not been made."; and

(d) adding at the end thereof a new subsection as follows:

"(i) If a first handler or the Secretary fails to collect an assessment from a producer under this section, the producer shall be responsible for payment of the assessment."

EFFECTIVE DATE

SEC. 5. The Secretary shall issue an amendment to the order provided for by the Honey Research, Promotion, and Consumer Information Act implementing the provisions of this Act after notice and opportunity for public comment. The amendment shall become effective on the date of issuance of the amendment.

BRIEF EXPLANATION OF PROPOSED AMENDMENTS TO THE HONEY RESEARCH PROMOTION, AND CONSUMER INFORMATION ACT

Section 1. Provides a short title to the proposed legislation.

Section 2. Defines exporter as a person who exports honey or honey products from the United States.

Section 3. (a) Provides that each State Association would nominate one person from the State to serve on the National Honey Nominations Committee and that the Committee would nominate one person for each member or alternate position on the Honey Board.

(b) Permits one of the two seats on the Honey Board currently allotted to importers to be filled by an exporter. The field of qualified importers is limited and when the current members and alternates must step down at the end of their terms, replacing them will be difficult. Also, imports have been reduced since the marketing loan program was instituted and exports have been increased so that it would be appropriate to substitute an exporter for an importer on the Board if necessary. Imports have been reduced from a high of 13.8 million pounds in 1985 to 5.8 million pounds in 1987.

(c) Permits a member of the Board or an alternate to serve out that person's term if, as a result of redistricting, the residence of the member or alternate is no longer in the region from which the person was appointed. Producer districts are reviewed every five years and may be redrawn as a result of the review. The amendment assures continuity on the Board. A person is selected for a three year term and under the amendment would serve an area in which he no longer resided for a relatively brief period.

(d) Provides that those producers or producer-packers who produce, or produce and handle, less than 6000 pounds of honey per year and those importers who import less than 6000 pounds of honey per year would qualify for the assessment exemption only if the honey were consumed at home by such person, or donated or distributed directly through retail outlets by the producer, producer-packer or importer.

The amendment simplifies administration of the exemption by eliminating the exemption where honey is sold to handlers or is placed under a price support loan. Once honey moves into the normal stream of the commerce, the assessment is automatically collected and the Honey Board must later make reimbursement. Under the amendment, honey producers of less than 6,000 pounds who sell honey in normal commercial channels would not automatically receive a refund, as is the case under current law, but would be treated the same as other producers if they should seek a refund.

(e) Provides for patents, copyrights, inventions, product formulations, or publications developed with Board funds to be the property of the Board and any income derived therefrom to inure to the benefit of the Board to be used for program purposes. This amendment would clarify existing law.

Section 4. (a) Provides for the assessment to be deducted any time a disbursement of loan funds is made under the Honey Price Support Loan Program and for the producer promptly to receive a statement of the deduction of assessments made instead of receiving such proof after the loan is redeemed.

This amendment and amendment b(2) are designed to enable a producer who received a price support loan promptly to receive a statement of the assessments deducted from the loan and to qualify for a refund, even though final settlement had not been made. Currently refunds cannot be made until final settlement of the loan. Refunds cannot even be made when portions of the honey under loan are redeemed. The current law effectively delays refunds for a number of months, often until the maturity date of the loan.

(b) Requires persons who obtain an exemption from the assessment to maintain and make available for inspection books and records and file reports as required by the order in order to assure proper enforcement of the exemption provision.

(c)(1) Provides for each importer to be eligible for refunds up to an amount that represents the same percentage of assessments collected from that importer as the percentage of refunds collected from producers.

At present the percentage limitation on refunds to importers is construed as applying collectively to refunds received by all importers, rather than to refunds that may be made to each importer. This results in importers who file early for a refund receiving a refund of all assessments paid by them; while those who delay may not qualify at all for a refund if the overall limitation on importer refunds had been reached. The amendment would clarify the intent of existing law and would result in all importers being treated the same.

(2) Provides for a producer who has received a price support loan to qualify for a refund once the deduction of the assessment had been made, even though final settlement had not been made of the loan. Refunds would be made in June and December at the same time as refunds are made to handlers and importers. See comment under (a).

(d) Provides that if the first handler or the Secretary fails to collect the refund, as has occurred on occasion, the producer shall be responsible for payment of the assessment.

Section 5. Provides for the amendment to become effective upon issuance of implementing regulations after notice and public comment, without the necessity for a referendum of producers.●

By Mr. DECONCINI (for himself and Mr. CRANSTON):

S. 1315. A bill to provide certain administrative authority and requirements for the administration of the Arizona Veterans Memorial Cemetery by the Department of Veterans Affairs; to the Committee on Veterans' Affairs.

RELATING TO ADMINISTRATION OF THE ARIZONA VETERANS MEMORIAL CEMETERY

● Mr. DECONCINI. Mr. President, as a member of the Senate Committee on Veterans' Affairs, I am introducing, along with my distinguished colleague, the chairman of the Veterans' Affairs Committee, Senator CRANSTON, an important bill to establish certain administrative authority and requirements for the Arizona Veterans Memorial Cemetery. Specifically, this bill would authorize the Department of Veterans Affairs to employ persons in connection with the administration of this cemetery if they were employed by the State of Arizona in that capacity at the State-run Arizona Veterans Memorial Cemetery on the day before the cemetery was transferred to the United States pursuant to section 346 of the Veterans Benefits and Services Act of 1988 (Public Law 100-322; 102 Stat. 541). In addition, this bill would require the Secretary of Veterans Affairs to prepare an operating budget plan for the administration of the cemetery for fiscal years 1989, 1990, and 1991, and submit such plans to the Committee on Veterans' Affairs of the Senate and House of Representatives.

Before I discuss the needs for the current proposal, I would like to ex-

press my deep appreciation and gratitude to the distinguished chairman and the ranking member of the Senate Committee on Veterans' Affairs, Senators CRANSTON and MURKOWSKI, without whose invaluable assistance the dream of a new national cemetery in Arizona could never have been realized. I would also like to give special thanks to my friend and distinguished colleague from Arizona, Senator MCCAIN, for all his hard work in the development of the original authorization for the incorporation of the Arizona Veterans Memorial Cemetery into the National Cemetery System. And I would be remiss if I did not mention invaluable contributions of House Committee on Veterans' Affairs Chairman SONNY MONTGOMERY and Representative BOB STUMP, that committee's new ranking member, in these efforts. Finally, I would like to thank all the members of the Arizona delegation, both past and present, for their cooperation and support through the years on this issue.

Together we have traveled a long road since 1976 when the State of Arizona first appropriated funds for the development of a parcel of land in Maricopa County for use as a veterans' cemetery. Mr. President, the State of Arizona's Veterans Service Commission obtained the land for a cemetery in 1976, and the cemetery was then developed by the State with a Veterans' Administration [VA] grant pursuant to the 50/50 matching funds program in section 1008 of title 38, United States Code. The cemetery opened in May 1979 as the Arizona Veterans Memorial Cemetery and was operated by the State until 1989.

On May 22, 1988, section 346 of Public Law 100-322, which was based on legislation I authored, was enacted to provide for the transfer of the cemetery into the National Cemetery System. The transfer was effective on April 1, 1989, and the cemetery was then renamed "The National Memorial Cemetery of Arizona." It now operates as the 113th cemetery in the National Cemetery System.

Mr. President, when the transfer became effective, certain State of Arizona employees who had provided exceptional service to the facility when it was run by the State were nevertheless found to be ineligible for Federal employment because they were not Federal civil service employees and apparently did not test well on normal civil service standardized measures despite their specialized experience and expertise. This bill would authorize the Department of Veterans Affairs [DVA] to employ certain persons who had worked at the cemetery prior to its transfer into the National Cemetery System. Specifically, under this bill, DVA could employ such persons without regard to civil service requirements if they meet criteria and qualifications established by the Secretary.

In addition, this bill includes a reporting requirement regarding the funding of the operations of the cemetery. Under the provisions of section 346 of Public Law 100-322, the Secretary is prohibited, for 3 fiscal years, from obligating funds for the operation of the cemetery in excess of the greater of: First, the amount the Secretary estimates the DVA would have been required to pay under section 903(b)(1) of title 38—relating to payments to States in connection with the DVA $150 burial payment for each eligible veteran in a State cemetery—had the cemetery not been transferred; or second, the amount that VA paid to the cemetery in fiscal year 1987, which was $129,000, under that authority.

Our bill would require the Secretary to outline in an operating budget plan the anticipated sources of funds for the operation of the cemetery for each of fiscal years 1989, 1990, and 1991, and, to submit such plan each year to the Committees on Veterans' Affairs of the Senate and the House of Representatives. The plan for fiscal year 1989 would be due within 30 days after the enactment of this bill, the fiscal year 1990 plan would be due by October 1, 1989, and the fiscal year 1991 plan would be due by February 1, 1990. I believe this provision is necessary to ensure that DVA has a strategy for coping with the special funding constraints that will exist under section 346 through fiscal year 1991 and that effective service at this national cemetery is not interrupted by those constraints. If a funding shortfall is projected, because of these constraints, we need to know about it so that sources other than DVA funding can be sought and obtained.

Mr. President, enactment of this bill would help ensure that this most recent addition to the National Cemetery System is sufficiently funded for the next 3 fiscal years and that it is maintained and provides service in a manner that befits a U.S. national cemetery. I urge all of my colleagues to give their support to this measure.

Finally, I again thank my good friend, Senator CRANSTON, for his assistance and collaboration in the preparation of this bill.

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. 1315

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ADMINISTRATION OF ARIZONA VETERANS MEMORIAL CEMETERY.

(a) APPOINTMENT OF EMPLOYEES.—The Secretary of Veterans Affairs may employ in a position in the Department of Veterans Affairs in connection with the administration of the Arizona Veterans Memorial Cemetery transferred to the Department pursuant to section 346 of the Veterans' Benefits and Services Act of 1988 (Public Law 100-322; 102 Stat. 541) any person who is employed by the State of Arizona in connection with the administration of such cemetery on the day before the date of the transfer. An appointment may be made pursuant to this subsection without regard to civil service laws.

(b) OPERATING BUDGET PLAN.—(1) For each of the fiscal years 1989, 1990, and 1991, the Secretary of Veterans Affairs shall prepare an operating budget plan for the administration of the Arizona Veterans Memorial Cemetery referred to in subsection (a).

(2) The operating budget plan for a fiscal year shall include the anticipated sources of funds for such fiscal year, the Secretary's estimate of any budget deficit (taking into consideration the operating needs of the cemetery for such fiscal year), and the Secretary's estimate of the [workload? for such fiscal year]/[number of burials in the cemetery for such fiscal year]/[number of employee hours required for the administration of the cemetery for such fiscal year].

(3) In preparing the operating budget plan for a fiscal year, the Secretary shall take into consideration the limitations and requirements in section 346(f) of the Veterans' Benefits and Services Act of 1988.

(4) The Secretary shall transmit the budget operating plan for a fiscal year to the Committees on Veterans' Affairs of the Senate and the House of Representatives—

(A) in the case of fiscal year 1989, not later than—days after the date of the enactment of ths Act; and

(B) in the case of each of fiscal years 1990 and 1991, not later than the first day of such fiscal year.●

By Mr. BINGAMAN (for himself and Mr. DOMENICI):

S. 1316. A bill to amend the Atomic Energy Act of 1954 to authorize the Assistant Secretary of Energy for Defense Programs to conduct research and development activities related to arms control; to the Committee on Armed Services.

AMENDING THE ATOMIC ENERGY ACT OF 1954 RELATING TO ARMS CONTROL

● Mr. BINGAMAN. Mr. President, I rise today to introduce a bill to designate verification research as one of the key missions of the Assistant Secretary of Energy for Defense Programs. I am delighted that Senator DOMENICI, my senior colleague from New Mexico, is joining me as an original cosponsor of this measure. He shares with me a strong interest in speeding verification research to meet our arms control negotiators' needs.

This is a very short bill but one that I hope will have profound consequences in the future.

The Department of Energy's nuclear weapons laboratories have been conducting research projects on verification technology since the early 1960's. This small, underfunded effort has come up with many important contributions to arms control over the years. For example, in recent years Sandia National Laboratories designed and

built the technical on-site inspection facility which served as the test bed for development of INF and START on-site verification methods. Los Alamos has been a leader in developing methods of verifying tests of directed energy weapons. Livermore has made major contributions in seismic detection of nuclear explosions. Over the past 25 years, the work of the labs has provided the foundation for verification of such agreements as the Limited Test Ban Treaty, the Outer Space Treaty, the Non-Proliferation Treaty, and the SALT I accords.

Yet, for all these contributions, the function has remained an orphan within the Department of Energy and its predecessors, ERDA and the Atomic Energy Commission. We simply do not have a program that looks forward and develops an adequate array of verification options for our arms control negotiators. Mostly, we have been reactive, trying to come up with verification methods either after the fact or well into the negotiations.

The DOE verification function, like other verification programs in our Government, has not been adequately funded in the past and we are paying the penalty for that now. This week's Defense News carries an article entitled "Strategic Pact Faces Years of Delay Due to Verification Questions," which makes the point that we simply have not developed many of the verification methods we need for the START Treaty. I deeply regret any such delay, and I believe it could have been prevented with a very modest expenditure of funds in the past.

Since coming to the Senate, I have worked to add funding for DOE's verification program. It has been clear to me all along that verification was likely to be the show stopper on many desirable arms control agreements. In recent years I have been increasingly successful in obtaining additional funding. Yet the Department of Energy under its previous leadership just did not place the same priority as the Congress did on this function. For example, the fiscal year 1990 DOE verification budget request is $5 million below the fiscal year 1989 total, and the budget for detection technology, the heart of the program, is actually $13 million lower than in 1989. This would mean work on most advanced verification concepts would have to be terminated, according to DOE's budget submission.

This strikes me as exactly the opposite direction from where we should be going. The President has made a proposal in the START talks that puts verification considerations at the forefront of these negotiations. Much of the technology he seeks to explore with the Soviet Union, such as tagging of missiles and on-site monitoring of missile production facilities, is being developed at the DOE labs. Therefore, I have been working with Senators KENNEDY and EXON to provide a significant increase in funding for the DOE verification program as part of this year's defense authorization bill.

Until DOE recognizes the importance of this mission, we will have to seek funding increases above the request every year. I would like that to become unnecessary. That is why I am introducing this bill. It is intended to strengthen the visibility of the verification mission within the Department of Energy's Defense Programs Office and to encourage serious pursuit of the mission. I believe that Admiral Watkins recognizes the importance of verification research to our prospects for successful negotiation of arms control agreements. I am sure he will rise to the challenge of ensuring this mission a strong place in his Department.

I intend to seek to add this bill as an amendment to the fiscal year 1990 Defense authorization bill being marked up in the Armed Services Committee this week. I hope it will win broad support among my colleagues in the committee and the Senate as a whole.

Mr. President, I ask unanimous consent that the bill be printed in full at the end of my remarks as well as the Defense News article to which I earlier referred.

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

S. 1316

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. VERIFICATION RESEARCH AND DEVELOPMENT.

Section 91(a) of the Atomic Energy Act of 1954 (68 Stat. 936; 42 U.S.C. 2121(a)) is amended—

(1) by striking out "and" at the end of clause (1);

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

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

"(3) conduct research on and development of technologies needed for the effective negotiation and verification of international agreements on control of special nuclear materials and nuclear weapons.".

[From Defense News, July 10, 1989]

STRATEGIC PACT FACES YEARS OF DELAY DUE TO VERIFICATION QUESTIONS

(By Peter Adams)

BRUSSELS, BELGIUM.—Arms control inspectors who would police a strategic arms agreement between the superpowers by examining the insides of missile nose cones will be asked to perform a careful balancing act.

Looking too deeply may reveal details of warhead design, a secret closely held by both sides. But simple passive readings of radiation from missile nose cones may not reveal attempts to conceal the true number of warheads, according to arms control experts at NATO headquarters here.

Each side fears the other may try to cheat by shielding missile nose cones with radiation-absorbing materials, thus disguising the number of warheads in each missile.

Some experts say this could be overcome by irradiating warheads with a beam of neutrons. "A detector placed on the other side of the warhead would collect the spectra of radiation and the undeviated beam of neutrons," providing an X-ray like reading of the contents, says one expert of the NATO Atlantic Assembly. Others maintain that the technology is not yet reliable.

Technical issues like these are among the reasons why it may be premature for political leaders to hold out any hope of the superpowers rapidly striking a deal to reduce strategic arsenals.

The current Geneva arms control talks on strategic weapons will extend for years as negotiators haggle over the details of how to verify compliance with a treaty. An array of technical solutions holds promise but many of them are still untested and under development in a smattering of Department of Energy laboratories.

But verification techniques are a more vital issue than ever, according to some experts, because the Strategic Arms Reduction Talks (START) involve limiting, not banning, classes of nuclear arms. Verification technology must be able to look inside production facilities and in individual missile nose cones to count warheads.

A report released this month by the Boston-based Union of Concerned Scientists, notes that to date "no satisfactory method has been developed to count warheads on deployed ballistic missiles and the two sides have not agreed on methods to keep track of mobile and nondeployed missiles."

Radiation detectors are not the only measures subject to tampering. Another verification tool, tagging missiles and launchers, also can be manipulated. Tamper-proof tags are getting significant attention from the U.S. Arms Control and Disarmament Agency, sources there say.

Some tags may use coded microchips and others could be attached to the weapon by a pre-recorded pattern of fiber-optic cables that cannot be reproduced.

The verification details present such a difficult problem that the United States is considering enacting some of the measures even before the treaty is signed.

One way to count warheads in a missile nose cone is passive—simply recording the naturally emitted radiation from Uranium-235 and Plutonium-239. There is a possibility of cheating because the missile nose cone could be shielded with radiation-absorbing materials, according to Lothar Ibrugger, a member of the North Atlantic Assembly's Scientific and Technical Committee, who wrote the assembly's review of verification technology released in May.

The North Atlantic Assembly, based in Brussels, Belgium, is the inter-parliamentary forum for the NATO countries.

Ibrugger said an active technique would be more complicated and involve bulkier equipment but would overcome shielding. This involves irradiating the nose cone with a beam of neutrons.

Arms Control and Disarmament Agency officials skeptical about solving the shielding problem say that even active scanning measures could reveal the details of a warhead's construction.

Kenneth Adelman, former Arms Control and Disarmament Agency director, said in Washington last week that perfecting such

technology "is still quite a bit down the road" and that even after warheads are counted some missiles may be outfitted clandestinely with more warheads.

The problem of verifying the number of warheads in a ballistic missile or the number of cruise missiles on an aircraft from a distance that is not overly intrusive pits arms control considerations against the flexibility preferred by the Pentagon.

Adelman said he would prefer to count every missile as having the maximum number of warheads it can carry and each U.S. B-52H and Soviet Bear bomber with the maximum number of air-launched cruise missiles it can carry. That way there can be no questions about the number of warheads.

The Pentagon wants to retain a flexibility in deploying the total 6,000 nuclear warheads it will be allowed under a START agreement. For example, it may choose to put eight warheads on an MX missile, instead of the maximum number of 10, and put the remaining two warheads on an aircraft.

Retaining that flexibility adds an element of surprise and unpredictability to Soviet war planners and makes warheads more survivable.

Gen. John Galvin, supreme allied commander Europe, said in Brussels that he wants to keep a warplanning flexibility by retaining a mix of nuclear weapons, including the sea-launched cruise missile. The Soviets want to set limits on this class of missiles.

"I made it clear to lots of people on that subject. Sea-launched cruise missiles have a very important capability and I do not want to lose it," he said.

Currently at the START talks, the United States position is that bombers are to be counted as having a typical operational load of nuclear cruise missiles, which is 10. The B-52H bomber can hold a maximum of about 20 such missiles. The Soviets want to count each bomber as having the maximum load of cruise missiles.

If bombers are counted as having 10 cruise missiles, some kind of on-site inspection may be necessary to determine if the bomber is indeed carrying 10 nuclear cruise missiles, according to the Union of Concerned Scientists' report. The Verification Revolution. The bomber may mix its load of nuclear cruise missiles with ones that are armed with conventional warheads, not covered by the treaty.

"On-site inspection would be helpful" to count nuclear cruise missiles "especially if inspectors are allowed to examine the weapons bays," the Union of Concerned Scientists says but it notes that kind of inspection might be seen as too intrusive by both sides.

Tagging is another way to determine if a cruise missile is nuclear. The cruise missiles could be tagged at their final assembly plants before deployment.

Ibrugger said a tamper-proof tag might consist of fiber optic cables that are photographed before being attached to the missile. Any tampering with the tag would alter the pattern of the cables that would be routinely inspected as part of a verification regime.

NATO arms control experts also talk about a microchip on the tag that has a prerecorded set of information. Removing the tag alters the memory of the microchip.

Adelman said tagging is a positive step but cautioned that where the tag is placed on a missile is crucial. If it is put on an easily removable part, the whole missile part and intact tag can be fixed onto another missile.

NATO arms control experts in Brussels say that electronic locks may be used to prevent the conversion of conventionally armed cruise missiles to nuclear. The locks would be attached under the watchful eyes of inspectors from both countries at the cruise missile assembly plant. Periodically those missiles would be called for inspection.

Arms Control and Disarmament Agency officials said they have not chosen any specific verification technology and that joint U.S. and Soviet working groups in Geneva will address the verification issue.●

By Mr. D'AMATO:

S.J. Res. 175. Joint resolution designating the week beginning September 17, 1989, as "Emergency Medical Services Week"; to the Committee on the Judiciary.

EMERGENCY MEDICAL SERVICES WEEK

● Mr. D'AMATO. Mr. President, I rise today to introduce legislation designating the week of September 17 through 23, 1989, as "Emergency Medical Services Week."

This legislation recognizes those dedicated men and women who have given their time and talents to providing emergency medical services [EMS]. The American College of Emergency Physicians will be sponsoring events across the country during the week of September 17, and they need our full support to give members of every community the opportunity to update their knowledge of emergency medical procedures.

Since the mid-1960's when EMS was formally established in the United States, the number of accidental deaths due to injury has declined dramatically. In just two decades, the number of persons per 100,000 who have died from auto accidents has decreased from fires and burns, 3.8 to 2; from ingestion of foods or objects 0.8 to 0.6; and from drowning 1.2 to 0.8.

Improvements in the quality and effectiveness of EMS are especially vital to the elderly. Older Americans are more susceptible than any other group to death due to injury. Moreover, they are less likely than others to recover completely from their injuries. It is critical, therefore, that senior citizens become familiar with the steps to take in an emergency medical situation.

EMS is equally important to the welfare of our children. Accidents are the leading cause of death among children under 14 years of age. When appropriate treatment is administered within the first hour of injury, mortality, morbidity, and residual disability can be greatly reduced. Timely and effective treatment, therefore, is a must.

Of course, prompt treatment depends on adequate manpower—and many concerned citizens have responded to this need. In fact, in some areas of the country, between 50 and 80 percent of all prehospital care is provided by trained volunteer personnel.

Providers of emergency medical services include emergency physicians, nurses, emergency medical technicians, paramedics, educators, administrators, and lay people who have learned CPR and other medical stabilization procedures. These men and women, dedicated to the health and welfare of millions of Americans every day, deserve our recognition.

The dedication of September 17-23, 1989 as Emergency Medical Services Week will help provide our EMS providers with this well-deserved recognition, while creating an important opportunity for greater public education about accident prevention and medical emergency managment.

I urge my colleagues to consider the importance of this joint resolution to the health and well-being of all Americans, and to join me in supporting its prompt passage.●

ADDITIONAL SPONSORS

S. 177

At the request of Mr. DECONCINI, the name of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of S. 177, a bill entitled the Cable Compulsory License Nondiscrimination Act of 1989.

S. 216

At the request of Mr. MOYNIHAN, the name of the Senator from Arkansas [Mr. PRYOR] was added as a cosponsor of S. 216, a bill to establish the Social Security Administration as an independent agency, which shall be headed by a Social Security Board, and which shall be responsible for the administration of the old age, survivors, and disability insurance program under title II of the Social Security Act and the supplemental security income program under title XVI of such act.

S. 304

At the request of Mr. MOYNIHAN, the name of the Senator from Nevada [Mr. REID] was added as a cosponsor of S. 304, a bill to promote nondiscrimination in State medical licensure and medical reciprocity standards.

S. 335

At the request of Mr. MCCAIN, the names of the Senator from Iowa [Mr. GRASSLEY] and the Senator from Kansas [Mrs. KASSEBAUM] were added as cosponsors of S. 335, a bill to amend title XVIII of the Social Security Act and other provisions of law to delay for 1 year the effective dates of the supplemental Medicare premium and additional benefits under part B of the Medicare Program, with the exception of the spousal improverishment benefit.

S. 384

At the request of Mr. CHAFEE, the name of the Senator from Missouri [Mr. DANFORTH] was added as a cosponsor of S. 384, a bill to amend title XIX of the Social Security Act to assist individuals with a severe disabil-

ity in attaining or maintaining their maximum potential for independence and capacity to participate in community and family life, and for other purposes.

S. 416

At the request of Mr. DOMENICI, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 416, a bill to provide that all Federal civilian and military retirees shall receive the full cost of living adjustment in annuities payable under Federal retirement systems for fiscal years 1990 and 1991, and for other purposes.

S. 419

At the request of Mr. SIMON, the names of the Senator from Nebraska [Mr. KERREY] and the Senator from Indiana [Mr. LUGAR] were added as cosponsors of S. 419, a bill to provide for the collection of data about crimes motivated by race, religion, ethnicity, or sexual orientation.

S. 481

At the request of Mr. CRANSTON, the name of the Senator from Colorado [Mr. WIRTH] was added as a cosponsor of S. 481, a bill to place a moratorium on the relocation of Navajo and Hopi Indians under Public Law 93-531, and for other purposes.

S. 501

At the request of Mr. D'AMATO, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 501, a bill to amend the Internal Revenue Code of 1986 to make permanent, and to increase the amount of, the exclusion for amounts received under qualified group legal services plans.

S. 714

At the request of Mr. MCCLURE, the name of the Senator from Texas [Mr. BENTSEN] was added as a cosponsor of S. 714, a bill to extend the authorization of the Water Resources Research Act of 1984 through the end of fiscal year 1993.

S. 945

At the request of Mr. MCCAIN, the name of the Senator from Washington [Mr. GORTON] was added as a cosponsor of S. 945, a bill to amend title 38, United States Code, to ensure that all veterans eligible to receive educational assistance under the Veterans' Educational Assistance Program have 10 years after discharge or release from active duty in which to pursue a program of education with such assistance.

S. 976

At the request of Mr. WARNER, the name of the Senator from Virginia [Mr. ROBB] was added as a cosponsor of S. 976, a bill to postpone the effective date of section 511(e)(3)(B) of the Controlled Substances Act, relating to the disposition of forfeited property and State law.

S. 980

At the request of Mr. MITCHELL, the name of the Senator from Hawaii [Mr. MATSUNAGA] was added as a cosponsor of S. 980, a bill to amend the Internal Revenue Code of 1986 to improve the effectiveness of the low income housing credit.

S. 1148

At the request of Mr. GORTON, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of S. 1148, a bill to authorize issuance of a certificate of documentation for the vessel *M/V Northern Victor*.

S. 1150

At the request of Mr. CONRAD, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of S. 1150, a bill to provide for the payment by the Secretary of the Interior of undedicated receipts into the Refuge Revenue Sharing Fund.

S. 1226

At the request of Mr. MCCONNELL, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of S. 1226, a bill to provide a cause of action for victims of sexual abuse, rape, and murder, against producers and distributors of pornographic material.

S. 1232

At the request of Mr. DOMENICI, the names of the Senator from North Dakota [Mr. CONRAD] and the Senator from Connecticut [Mr. LIEBERMAN] were added as cosponsors of S. 1232, a bill to honor the world's most recent heros in the universal struggle for freedom and democracy, and to designate the park in the District of Columbia directly across from the Embassy of the People's Republic of China as "Tiananmen Square Park."

S. 1237

At the request of Mr. GLENN, the names of the Senator from North Dakota [Mr. BURDICK], the Senator from Iowa [Mr. HARKIN], the Senator from Alaska [Mr. MURKOWSKI], and the Senator from Virginia [Mr. WARNER] were added as cosponsors of S. 1237, a bill to require the Administrator of the General Services Administration to encourage the use of plastics derived from certain commodities, and to include such products in the General Services Administration inventory for supply to Federal agencies, and to establish an Interagency Council on Biodegradable Standards for the development of uniform definitions, standards, and testing procedures for degradable plastic products made from certain commodities, and for other purposes.

SENATE JOINT RESOLUTION 127

At the request of Mr. SIMON, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor 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 129

At the request of Mr. DOLE, the name of the Senator from Georgia [Mr. NUNN] was added as a cosponsor of Senate Joint Resolution 129, a joint resolution to provide for the designation of September 15, 1989, as "National POW/MIA Recognition Day."

SENATE JOINT RESOLUTION 131

At the request of Mr. DURENBERGER, the name of the Senator from Delaware [Mr. BIDEN] was added as a cosponsor of Senate Joint Resolution 131, a joint resolution to designate November 1989 as "National Diabetes Month."

SENATE JOINT RESOLUTION 173

At the request of Mr. RIEGLE, the name of the Senator from Delaware [Mr. BIDEN] was added as a cosponsor of Senate Joint Resolution 173, a joint resolution to designate the decade beginning January 1, 1990, as the "Decade of the Brain."

SENATE CONCURRENT RESOLUTION 34

At the request of Mr. BREAUX, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of Senate Concurrent Resolution 34, a concurrent resolution confirming that it is the responsibility and the desire of Congress to develop a comprehensive telecommunications policy, which includes determining the extent of participation of regional Bell holding companies in providing advanced telecommunications services and equipment.

SENATE CONCURRENT RESOLUTION 49

At the request of Mr. GRASSLEY, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of Senate Concurrent Resolution 49, a concurrent resolution to express the sense of the Congress that the States should retain authority to regulate alcohol beverages.

AMENDMENT NO. 247

At the request of Mr. LAUTENBERG, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of Amendment No. 247 proposed to S. 358, a bill to amend the Immigration and Nationality Act to change the level, and preference system for admission, of immigrants to the United States, and to provide for administrative naturalization, and for other purposes.

AMENDMENTS SUBMITTED

IMMIGRATION REFORM ACT

EXON (AND OTHERS) AMENDMENT NO. 250

Mr. EXON (for himself, Mr KERREY, and Mr. HARKIN) proposed an amend-

ment to the bill (S. 358) to amend the Immigration and Nationality Act to change the level, and preference system for admission, of immigrants to the United States, and to provide for administrative naturalization, and for other purposes, as follows:

At the appropriate place in the bill, insert:

SEC. . (a) DIRECT FEDERAL FINANCIAL BENEFITS.—That on or after the date of enactment of this Act, notwithstanding any other provision of law, no direct Federal financial benefit or social insurance benefit may be paid or otherwise given to any person not lawfully present within the United States except pursuant to a provision of the Immigration and Nationality Act as amended; or as may be required by the Constitution of the United States.

(b) REIMBURSEMENT TO THE STATES.—No federal funds shall be used to reimburse States for benefit paid or otherwise given to any person not lawfully within the United States except pursuant to a provision of the Immigration and Nationality Act; or as may be required by the Constitution of the United States.

(c) DEFINITION.—For the purposes of this Act, the term "person not lawfully within the United States" shall be any person who at the time he or she applies for, receives, or attempts to receive such Federal financial benefit is not a United States citizen, a United States national, a permanent resident alien, an asylee, a refugee, a parolee, or a nonimmigrant in status, a temporary resident alien as conferred by Congress, those applicants for asylum determined by the Attorney General to be eligible for such benefits or other aliens determined by the Attorney General to be eligible for such benefits.

SIMPSON AMENDMENT NO. 251

Mr. SIMPSON proposed an amendment to the bill S. 358, supra, as follows:

(a) on page 95, line 8, strike out "45" and insert in lieu thereof, "50";

(b) on page 97, after line 3, insert the following:

"(v) ENGLISH LANGUAGE ABILITY (20 POINTS).—For an alien who certifies, upon the date of filing a petition, subject to verification by examination after the date of selection, that he has an understanding of the English language and the ability to communicate in such language, 20 points."

(c) on page 98, line 6, strike out "65" and insert in lieu thereof, "80".

SPECTER (AND OTHERS) AMENDMENT NO. 252

Mr. SPECTER (for himself, Mr. DECONCINI, Mr. LUGAR, Mr. GORTON, and Mr. GRAMM) proposed an amendment to the bill S. 358, supra, as follows:

(a) in subsection (a) of section 102 by striking "120,000" in the new "section 201(d)" (8 U.S.C. 1151(d)) and inserting "150,000",

(b) in subsection (a) of seciton 103—

(1) by striking "5" in the new "section 203(b)(1)" (8 U.S.C. 1153(b)(1)) and inserting "4",

(2) in the new "section 203(b)(2)" (8 U.S.C. 1153(b)(2))—

(A) by striking "23" and inserting "28", and

(B) by inserting ", plus any visas not required for the class specified in paragraph (1)," after "worldwide level",

(3) in the new "section 203(b)(3)" (8 U.S.C. 1153(b)(3)",

(A) by striking "23" and inserting "28", and

(B) by inserting "plus any visas not required for the classes specified in paragraphs (1) and (2)," after "worldwide level,", and

(4) by striking "4" in the new "section 203(b)(4)" (8 U.S.C. 1153(b)(4)) and inserting "3.2".

STATE DEPARTMENT AUTHORIZATION ACT

D'AMATO AMENDMENT NO. 253

(Ordered to lie on the table.)

Mr. D'AMATO submitted an amendment intended to be proposed by him to the bill (S. 1160) to authorize appropriations for fiscal year 1990 for the Department of State, the U.S. Information Agency, the Board for International Broadcasting, and for other purposes, as follows:

At the appropriate place in the bill, insert the following:

SEC. . Section 404 of Title IV—General Provisions, of the Dire Emergency Supplemental Appropriations and Transfer, Urgent Supplementals, and Correcting Enrollment Errors Act of 1989 (P.L. 101-45) is repealed.

HELMS AMENDMENT NO. 254

Mr. HELMS proposed an amendment to amendment No, 252 proposed by Mr. SPECTER (and others) to the bill S. 358, supra, as follows:

In lieu of the language proposed to be inserted, insert the following:

On page 77, line 15, strike "480,000" and insert in lieu thereof "460,000".

On page 78, line 10, strike "120,000" and insert in lieu thereof "140,000".

On page 90, line 18, strike "9" and insert in lieu thereof "6".

On page 91, line 23, strike "9" and insert in lieu thereof "10".

On page 92, line 13, strike "5" and insert in lieu thereof "3".

On page 92, line 18, strike "HOLDING ADVANCED DEGREES".

On page 92, line 20, strike "23" and insert in lieu thereof "32".

On page 92, line 22, strike "holding advanced degrees".

On page 93, line 18, strike "23" and insert in lieu thereof "32".

On page 94, line 12, strike "4" and insert in lieu thereof "3".

On page 94, line 13, strike "level," and insert in lieu thereof "level or 2,800, whichever is greater,".

On page 95, line 6, strike "(2),".

SHELBY (AND OTHERS) AMENDMENT NO. 255

Mr. SHELBY (for himself, Mr. HEINZ, Mr. HELMS, Mr. LOTT, Mr. GRASSLEY, Mr. STEVENS, Mrs. KASSEBAUM, Mr. HEFLIN, Mr. DOLE, and Mr. COCHRAN) proposed an amendment to the bill S. 358, supra, as follows:

At the end of the bill add the following new title:

TITLE .—CENSUS

SEC. . PREVENTION OF CONGRESSIONAL REAPPORTIONMENT DISTORTIONS.

(a) FINDINGS.—The Congress finds that—

(1) in recent years millions of aliens have entered the United States in violation of immigration laws and are now residing in the United States in an illegal status and are subject to deportation:

(2) the established policy of the Bureau of the Census is to make a concerted effort to count such aliens during the 1990 census without making a separate computation for such illegal aliens; and.

(3) by including the millions of illegal aliens in the reapportionment base for the House of Representatives, many States will lose congressional representation which such States would not have otherwise lost, thereby violating the constitutional principle of "one man, one vote".

(b) SECRETARIAL ADJUSTMENTS TO PREVENT DISTORTIONS.—Section 141 of title 13, United States Code, is amended by redesignating subsection (g) as subsection (h), and by inserting after subsection (f) the following new subsection:

"(g) The Secretary shall make such adjustments in total population figures as may be necessary, using such methods and procedures as the Secretary determines feasible and appropriate, in order that aliens in the United States in violation of the immigration laws shall not be counted in tabulating population for purposes of subsection (b) of this section: *Provided, however,* That nothing in this subsection shall be construed to supersede Section 195 of title 13, United States Code.".

(c) CONFORMING AMENDMENT.—Section 22(a) of the Act entitled "An Act to provide for the fifteenth and subsequent decennial censuses and to provide for apportionment of Representatives in Congress", approved June 18, 1929 (2 U.S.C. 2a(a)), is amended by striking out "as ascertained under the seventeenth and each subsequent decennial census of the population" and inserting in lieu thereof "as ascertained and reported under section 141 of title 13, United States Code, for each decennial census of population".

KENNEDY AMENDMENT NO. 256

Mr. KENNEDY proposed an amendment to amendment No. 255 proposed by Mr. SHELBY (and others) to the bill S. 358, supra, as follows:

At the end of the amendment, add the following:

SEC. 2. SEVERABILITY.

In the event that any one or more provisions of this Title is held to be unconstitutional, the same shall not affect the validity of other provisions of this Act.

SIMON (AND OTHERS) AMENDMENT NO. 257

Mr. SIMON (for himself, Mr. DIXON, Mr. KOHL, Mr. CRANSTON, Mr. GORTON, and Mr. HUMPHREY) proposed an amendment to the bill S. 358, supra, as follows:

At the appropriate place, insert:

SEC. . TREATMENT OF HONG KONG AS A SEPARATE FOREIGN STATE FOR NUMERICAL LIMITATIONS.

The approval referred to in the first sentence of section 202(b) of the Immigration and Nationality Act shall be considered to have been granted, effective beginning with fiscal year 1990, with respect to Hong Kong as a separate foreign state, and not as a colony or other component or dependent area of another foreign state, and section 202(c) of such Act shall not apply to Hong Kong, except that the total number of immigrant visas made available to natives of Hong Kong in any fiscal year may not exceed 3.5 percent of the total number of visas made available under section 202(a) in that fiscal year.

SIMON (AND OTHERS) AMENDMENT NO. 258

Mr. SIMON (for himself, Mr. DIXON, Mr. KOHL, Mr. CRANSTON, Mr. GORTON, and Mr. HUMPHREY) proposed amendments to the bill S. 358, supra, as follows:

On page 95, add at the end of line 9 "10,000 of such visas shall be reserved for qualified immigrants who are natives of foreign states the immigration of whose natives to the United States was adversely affected by the enactment of Public Law 89-236."

SIMON AMENDMENT NO. 259

Mr. SIMON proposed an amendment to the bill S. 358, supra, as follows:

At the appropriate place, insert:

"(vi) PREARRANGED EMPLOYMENT IN THE UNITED STATES (15 POINTS).—For an alien who (as of the date of filing a petition) has an arrangement (meeting conditions specified by the Secretary of Labor) for the employment of the alien, 15 points.

On page 95, strike out "45" in line 8 and insert in lieu thereof "50";

On page 98, strike out "65" in line 6 and insert in lieu thereof "75".

Section 1546(b) of title 18, United States Code, is amended by inserting "or section 203(b)(5)" after "section 274A(b)".

BOSCHWITZ AMENDMENT NO. 260

Mr. BOSCHWITZ proposed an amendment to the bill S. 358, supra, as follows:

On page 77, line 15, strike out "480,000" and insert in lieu thereof "520,000".

On page 90, line 18, strike out "9" and insert in lieu thereof "7.8".

On page 91, line 16, strike out "57" and insert in lieu thereof "49.4".

On page 91, line 23, strike out "9" and insert in lieu thereof "7.8".

On page 92, line 5, strike out "25" and insert in lieu thereof "35".

GRAMM (AND BOSCHWITZ) AMENDMENT NOS. 261 THROUGH 264

Mr. GRAMM (for himself and Mr. BOSCHWITZ) proposed four amendments to the bill S. 358, supra; as follows.

AMENDMENT NO. 261

On page 75, line 10, strike out "and".

On page 76, line 9, strike out the period and insert in lieu thereof "; and".

On page 76, between lines 9 and 10, insert the following:

"(3) qualified immigrants who are trained medical personnel described in section 109(f), not to exceed 4,000 nurses and 1,000 physicians.

On the conditional basis described in section 109.

On page 124, after line 25, insert the following:

SEC. 104. INCENTIVES FOR TRAINED MEDICAL PERSONNEL TO WORK IN RURAL AREAS.

(a) CONDITIONAL BASIS FOR PERMANENT RESIDENT STATUS FOR TRAINED MEDICAL PERSONNEL.—Chapter 2 of title II of the Immigration and Nationality Act is amended by adding at the end the following new section:

"CONDITIONAL PERMANENT RESIDENT STATUS FOR TRAINED MEDICAL PERSONNEL, SPOUSES, AND CHILDREN

"SEC. 218. (a) IN GENERAL.—

"(1) CONDITIONAL BASIS FOR STATUS.—(A) Notwithstanding any other provision of this Act, an alien who is a trained medical person (as defiend in subsection (f)(1)), spouse, and child (as defined in subsection (f)(2)) shall be considered, at the time of obtaining the status of an alien lawfully admitted for permanent residence, to have obtained such status on a conditional basis subject to the provisions of this section if such person, with the prior approval of the governor of that state, has made a commitment to perform medical services in a Health Manpower Shortage Area in an individual state as defined under the Public Health Service Act, where there is a shortage in United States trained physicians, and such person has obtained privileges from a hospital located within that Health Manpower Shortage Area, for 10 years.

"(2) NOTICE OF REQUIREMENTS.—

"(A) AT TIME OF OBTAINING PERMANENT RESIDENCE.—At the time an alien medical person, spouse, or child obtains permanent resident status on a conditional basis under paragraph (1), the Attorney General shall provide for notice to such medical person, spouse, or child respecting the provisions of this section and the requirements of subsection (c)(1) to have the conditional basis of such status removed.

"(B) AT TIME OF REQUIRED PETITION.—In addition, the Attorney General shall attempt to provide notice to such medical person, spouse, or child, at or about the beginning of the 90-day period described in subsection (d)(2)(A), of the requirements of subsection (c)(1).

"(C) EFFECT OF FAILURE TO PROVIDE NOTICE.—The failure of the Attorney General to provide a notice under this paragraph shall not affect the enforcement of the provisions of this section with respect to such medical person, spouse, or child.

"(b) TERMINATION OF STATUS IF FINDING THAT QUALIFYING ENTREPRENEURSHIP IMPROPER.—

"(1) IN GENERAL.—In the case of an alien with permanent resident status on a conditional basis under subsection (a), if the Attorney General determines, before the tenth anniversary of the alien's obtaining the status of lawful admission for permanent residence, that the alien is not performing medical services in a Health Manpower Shortage Area or has not obtained privileges from a hospital located within that Health Manpower Shortage Area, then the Attorney General shall so notify the alien involved and, subject to paragraph (2), shall terminate the permanent resident status of the alien involved as of the date of the determination.

"(2) HEARING IN DEPORTATION PROCEEDING.—Any alien whose permanent resident status is terminated under paragraph (1) may request a review of such determination in a proceeding to deport the alien. In such proceeding, the burden of proof shall be on the Attorney General to establish, by a preponderance of the evidence, that a condition described in paragraph (1) is met.

"(c) REQUIREMENTS OF TIMELY PETITION AND INTERVIEW FOR REMOVAL OF CONDITION.—

"(1) IN GENERAL.—In order for the conditional basis established under subsection (a) for an alien medical person, spouse, or child to be removed—

"(A) the alien medical person must submit to the Attorney General, during the period described in subsection (d)(2), a petition which requests the removal of such conditional basis and which states, under penalty of perjury, the facts and information described in subsection (d)(1), and

"(B) in accordance with subsection (d)(3), the alien medical person must appear for a personal interview before an officer or employee of the Service respecting the facts and information described in subsection (d)(1).

"(2) TERMINATION OF PERMANENT RESIDENT STATUS FOR FAILURE TO FILE PETITION OR HAVE PERSONAL INTERVIEW.—

"(A) IN GENERAL.—In the case of an alien with permanent resident status on a conditional basis under subsection (a), if—

"(i) no petition is filed with respect to the alien in accordance with the provisions of paragraph (1)(A), or

"(ii) unless there is good cause shown, the alien medical person fails to appear at the interview described in paragraph (1)(B), the Attorney General shall terminate the permanent resident status of the alien as of the tenth anniversary of the alien's lawful admission for permanent residence.

"(B) HEARING IN DEPORTATION PROCEEDING.—In any deportation proceeding with respect to an alien whose permanent resident status is terminated under subparagraph (A), the burden of proof shall be on the alien to establish compliance with the conditions of paragraphs (1)(A) and (1)(B).

"(3) DETERMINATION AFTER PETITION AND INTERVIEW.—

"(A) IN GENERAL.—If—

"(i) a petition is filed in accordance with the provisions of paragraph (1)(A), and

"(ii) the alien medical person appears at the interview described in paragraph (1)(B), the Attorney General shall make a determination, within 90 days of the date of the interview, as to whether the facts and information described in subsection (d)(1) and alleged in the petition are true with respect to the performance of medical services by the alien.

"(B) REMOVAL OF CONDITIONAL BASIS IF FAVORABLE DETERMINATION.—If the Attorney General determines that such facts and information are true, the Attorney General shall so notify the alien involved and shall remove the conditional basis of the alien's status effective as of the tenth anniversary of the alien's obtaining the status of lawful admission for permanent residence.

"(C) TERMINATION IF ADVERSE DETERMINATION.—If the Attorney General determines that such facts and information are not true, the Attorney General shall so notify the alien involved and, subject to subparagraph (b), shall terminate the permanent

resident status of an alien medical person, spouse, or child as of the date of the determination.

"(D) HEARING IN DEPORTATION PROCEEDING.—Any alien whose permanent resident status is terminated under subparagraph (C) may request a review of such determination in a proceeding to deport the alien. In such proceeding, the burden of proof shall be on the Attorney General to establish, by a preponderance of the evidence, that the facts and information described in subsection (d)(1) and alleged in the petition are not true with respect to the performance of medical services by the alien.

"(d) DETAILS OF PETITION AND INTERVIEW.—

"(1) CONTENTS OF PETITION.—Each petition under subsection (c)(1)(A) shall contain facts and information demonstrating that the alien performed medical services in a Health Manpower Shortage Area or has not obtained privileges from a hospital located within that Health Manpower Shortage Area, throughout the alien's residence in the United States.

"(2) PERIOD FOR FILING PETITION.—

"(A) 90-DAY PERIOD BEFORE SECOND ANNIVERSARY.—Except as provided in subparagraph (B), the petition under subsection (c)(1)(A) must be filed during the 90-day period before the tenth anniversary of the alien's obtaining the status of lawful admission for permanent residence.

"(B) DATA PETITIONS FOR GOOD CAUSE.—Such a petition may be considered if filed after such date, but only if the alien establishes to the satisfaction of the Attorney General good cause and extenuating circumstances for failure to file the petition during the period described in subparagraph (A).

"(C) FILING OF PETITIONS DURING DEPORTATION.—In the case of an alien who is the subject of deportation hearings as a result of failure to file a petition on a timely basis in accordance with subparagraph (A), the Attorney General may stay such deportation proceedings against an alien pending the filing of the petition under subparagraph (B).

"(3) PERSONAL INTERVIEW.—The interview under subsection (c)(1)(B) shall be conducted within 90 days after the date of submitting a petition under subsection (c)(1)(A) and at a local office of the Service, designated by the Attorney General, which is convenient to the parties involved. The Attorney General, in the Attorney General's discretion, may waive the deadline for such an interview or the requirement for such an interview in such cases as may be appropriate.

"(e) TREATMENT OF PERIOD FOR PURPOSES OF NATURALIZATION.—For purposes of title III, in the case of an alien who is in the United States as a lawful permanent resident on a conditional basis under this section, the alien shall be considered to have been admitted as an alien lawfully admitted for permanent residence and to be in the United States as an alien lawfully admitted to the United States for permanent residence beginning 5 years after the conditional admission of the alien.

"(f) DEFINITIONS.—In this section:

"(1) The term 'alien medical person' means an alien who obtains the status of an alien lawfully admitted for permanent residence under section 201(a)(3) and who is a physician or nurse, licensed to practice within that state and who is competent in oral and written English.

"(2) The term 'spouse' and the term 'child' mean an alien who obtains the status of an alien lawfully admitted for permanent residence (whether on a conditional basis or otherwise) by virtue of being the spouse or child, respectively, of an alien entrepreneur.".

(b) ADDITIONAL GROUND FOR DEPORTATION.—Section 241(a)(9) (8 U.S.C. 1251(a)(9)) is amended by inserting before the semicolon at the end thereof the following: ", (C) is an alien with permanent resident status on a conditional basis under section 218 and has such status terminated under such section".

(c) CRIMINAL PENALTY FOR IMMIGRATION-RELATED ENTREPRENEURSHIP FRAUD.—Section 275 of such Act (8 U.S.C. 1325) is amended by adding at the end thereof the following new subsection:

"(c) Any individual who knowingly performs medical services under section 109 for the purpose of evading any provision of the immigration laws shall be imprisoned for not more than 5 years, or fined not more than $250,000, or both.".

(d) LIMITATION ON ADJUSTMENT OF STATUS.—Section 245 of such Act (8 U.S.C. 1255) is amended by adding at the end the following new subsection:

"(f) The Attorney General may not adjust, under subsection (a), the status of an alien lawfully admitted to the United States for permanent residence on a conditional basis under section 218.".

(e) CONFORMING AMENDMENT.—The table of contents of such Act is amended by inserting after the item relating to section 217 the following new item:

"Sec. 218. Conditional permanent resident status for trained medical personnel,—spouses, and children."

AMENDMENT NO. 262

(a) On page 95, line 8, strike out "45" and insert in lieu thereof, "60,"

(b) On page 98, strike out lines 5 through 9 and insert in lieu thereof: "to eligible qualified immigrants who attain the highest scores (in descending order) on the assessment system described in subsection (b)(5)(B) with respect to petitions filed for the fiscal year involved, with the lowest scores qualifying under this clause to be chosen, if necessary, in the random order described in clause (B); and".

AMENDMENT NO. 263

On page 81, line 2, insert after "105 percent" the following: "(or, if so, to the extent of a 5 percent decrease or increase, as the case may be)".

On page 81, line 8, after "transmitted" insert the following: "(or a 5 percent increase or decrease, as the case may be)".

On page 81, line 15, insert after "change" the following: "(to the extent that the change is less than 95 percent or more than 105 percent, as the case may be)".

AMENDMENT NO. 264

On page 92, line 13, strike "5 percent" and insert in lieu thereof "3.33 percent".

On page 94, strike out line 11 and all that follows through line 2 on page 95 and insert in lieu thereof the following:

"(4) EMPLOYMENT CREATION.—Visas shall be made available next, in a number not to exceed 5.67 percent of such worldwide level, to any qualified immigrant who is seeking to enter the United States for the purpose of engaging in a new commercial enterprise which the alien has established and in which such alien has invested or, is actively in the process of investing—

"(A) capital, in an amount not less than $1,000,000, and which will benefit the United States economy and create full-time employment for not fewer than 10 United States citizens or aliens lawfully admitted for permanent residence (other than the spouse, sons, or daughters of such immigrant); or

"(B) capital, in an amount not less than $500,000, in rural areas or in areas which have experienced persistently high unemployment, at the time of investment, of at least one and one-half times the national average rate, and which will benefit the United States economy and create full-time employment for not fewer than 10 United States citizens or aliens lawfully admitted for permanent residence (other than the spouse, sons, or daughters of such immigrant).

Of the visas allocated under this paragraph, 1.67 percent of the worldwide level shall be available for aliens investing as described in clause (B). Special attention shall be given to such aliens in clause (B) who have invested or, are actively in the process of investing, in rural areas, with an unemployment rate, at the time of the investment, of at least one and one-half times the national average. For purposes of clause (B), the term "rural area" means all territory of a State that is not within a metropolitan statistical area or the outer boundary of any city or town having a population of 20,000 or more based on the latest decennial census of the United States. The Attorney General, in consultation with the Secretary of Labor and the Secretary of State, may prescribe regulations increasing the dollar amount of the investment necessary in clause (A) for the issuance of a visa under this paragraph.

KASSEBAUM (AND DANFORTH) AMENDMENT NO. 265

Mr. SIMPSON (for Mrs. KASSEBAUM, for herself and Mr. DANFORTH) proposed an amendment to the bill S. 358, supra, as follows:

On page 124, after line 25, insert the following new section:

SEC. 109. ENTRY OF CERTAIN AIRCRAFT CREWMEMBERS.

Section 217 of the Immigration and Nationality Act (8 U.S.C. 1187) is amended—

(1) by redesignating subsection (e) as subsection (f); and

(2) by inserting the following new subsection:

"(e) The Attorney General and the Secretary of State are further authorized to issue regulations providing for the waiver of visa requirements for aircraft crewmembers serving on aircraft who are nationals of pilot program countries designated pursuant to subsection (c). Such regulations may provide for aircraft crew visa waivers on a reciprocal basis with each individual pilot program country during the pilot program period."

KENNEDY (AND SIMPSON) AMENDMENT NO. 266

Mr. KENNEDY (for himself and Mr. SIMPSON) proposed an amendment to the bill S. 358, supra, as follows:

Beginning on page 118, strike out line 17 and all that follows through line 4 on page 119 and insert in lieu thereof the following:

"(r) CREDITABLE FEES.—(1) Notwithstanding sections 1 and 2 of the Act of June 4, 1920, as amended (42 Stat. 750; 11 U.S.C. 214) or any other provision of law, the Sec-

retary of State shall pay the expenses incurred during the two years immediately following the date of enactment of the Immigration Act of 1989 to prepare for and initiate the immigrant visa program provided for under sections 201(a)(3), 201(b)(2)(A)(i), and 203(a) and (b). Such expenses include salary and expenses, space and support costs, research and development, software, equipment acquisition, equipment replacement, hardware and software maintenance, and anti-fraud costs of visa and passport functions connected with that program.

"(2) Beginning fiscal year 1990, and each fiscal year thereafter, fees collected by consular officers shall be credited to a Department of State account which shall be available only for the payment of the expenses of automation activities, equipment and software maintenance, hardware replacement, research and development and support costs, except that not more than $30,000,000 of such fees may be available for each year for fiscal years 1990 and 1991 and not more than $20,000,000 for each fiscal year thereafter for the purposes as described in paragraphs (1) and (2).

"(3) Nothing in this subsection shall be construed as making funds under this subsection available for the machine readable document program.

"(4) There are authorized to be appropriated to the Department of State to carry out paragraph (1) such sums as may be necessary for each of fiscal years 1990 and 1991.".

On page 128, line 15, strike out "(e)" and insert in lieu thereof "(d)".

On page 130, strike out "any State or".

On page 132, lines 5 and 6, strike out ", other than subsection (d)".

On page 132, line 7, strike out "(a)(1)" each of the two places it appears.

On page 132, line 23, strike out "or the".

At the appropriate place in the bill, at the amendment offered by Mr. Exon insert:

In no case should the benefits described in subsection (a), or the provisions of subsection (b), include such programs which provide general assistance to States and communities impacted by the arrival of undocumented aliens or other assistance which is not a direct cash benefit or federal social insurance benefit to individual aliens.

In section (f)(2)—the very last sentence of the Gorton Amendment—"subsection (a)" should instead be "paragraph (1)".

Amend amendment numbered 239 to the bill as follows:

On line 6 of page 2, strike "Nonimmigrants" and insert "Nonimmigrants".

On line 13 of page 2, insert the following after "101(a)(15)(J)": ", or changed status to that of a nonimmigrant under 101(a)(15)(J),".

On line 19 of page 2, strike "(1)".

On line 23 of page 2, strike "and is present in the United States as a nonimmigrant described in section 101(a)(15) (F), (J), and (M), as well as their immediate family—".

On line 25 of page 2, strike the comma and insert "described in section 101(a)(15)(F), (J), or (M)".

On line 1 of page 3, before "before," insert "as a nonimmigrant described in section 101(a)(15)(F), (J), or (M)".

On line 16 of page 3, strike "who applies for adjustment of status or change of nonimmigrant status under the terms of this section" and insert "who is described in paragraph (1) or (2) of subsection (b)".

On line 21 of page 3, strike the period and insert "for the period described in subsection (e).".

On line 1 of page 4, strike "or until" and insert "regardless of whether".

On page 92, line 17, strike out "(2)" and insert in lieu thereof, "(3)".

On page 93, line 17, strike out "(3)" and insert in lieu thereof, "(4)".

On page 94, line 11, strike out "(4)" and insert in lieu thereof, "(5)".

On page 95, line 3, strike out "(5)" and insert in lieu thereof, "(6)".

On page 92, line 20, strike out "28" and insert in lieu thereof, "26.375".

On page 93, line 18, strike out "28" and insert in lieu thereof, "26.375".

On page 92, between lines 16 and 17, insert the following:

"(2) qualified immigrants who are trained medical personnel described in section 109(f), not to exceed 4,000 nurses and 1,000 physicians on the conditional basis described in section 109.

On page 124, after line 25, insert the following:

SEC. 104. INCENTIVES FOR TRAINED MEDICAL PERSONNEL TO WORK IN RURAL AREAS.

(a) CONDITIONAL BASIS FOR PERMANENT RESIDENT STATUS FOR TRAINED MEDICAL PERSONNEL.—Chapter 2 of title II of the Immigration and Nationality Act is amended by adding at the end the following new section:

"CONDITIONAL PERMANENT RESIDENT STATUS FOR TRAINED MEDICAL PERSONNEL, SPOUSES, AND CHILDREN

"SEC. 218. (a) IN GENERAL.—

"(1) CONDITIONAL BASIS FOR STATUS.—(A) Notwithstanding any other provision of this Act, an alien who is a trained medical person (as defined in subsection (f)(1)), spouse, and child (as defined in subsection (f)(2)) shall be considered, at the time of obtaining the status of an alien lawfully admitted for permanent residence, to have obtained such status on a conditional basis subject to the provisions of this section if such person, with the prior approval of the governor of that state, has made a commitment to perform medical services in a Health Manpower Shortage Area in an individual state as defined under the Public Health Service Act, where there is a shortage in United States trained physicians, and such person has obtained privileges from a hospital located within that Health Manpower Shortage Area for 10 years.

"(2) NOTICE OF REQUIREMENTS.—

"(A) At time of obtaining permanent residence.—At the time an alien medical person, spouse, or child obtains permanent resident status on a conditional basis under paragraph (1), the Attorney General shall provide for notice to such medical person, spouse, or child respecting the provisions of this section and the requirements of subsection (c)(1) to have the conditional basis of such status removed.

"(B) AT TIME OF REQUIRED PETITION.—In addition, the Attorney General shall attempt to provide notice to such medical person, spouse, or child, at or about the beginning of the 90-day period described in subsection (d)(2)(A), of the requirements of subsection (C)(1).

"(C) EFFECT OF FAILURE TO PROVIDE NOTICE.—The failure of the Attorney General to provide a notice under this paragraph shall not affect the enforcement of the provisions of this section with respect to such medical person, spouse, or child.

"(b) TERMINATION OF STATUS IF FINDING THAT QUALIFYING ENTREPRENEURSHIP IMPROPER.—

"(1) IN GENERAL.—In the case of an alien with permanent resident status on a conditional basis under subsection (a), if the Attorney General determines, before the tenth anniversary of the alien's obtaining the status of lawful admission for permanent residence, that the alien is not performing medical services in a Health Manpower Shortage area or has not obtained privileges from a hospital located within that Health Manpower Shortage Area, then the Attorney General shall so notify the alien involved and, subject to paragraph (2), shall terminate the permanent resident status of the alien involved as of the date of the determination.

"(2) HEARING IN DEPORTATION PROCEEDING.—Any alien whose permanent resident status is terminated under paragraph (1) may request a review of such determination in a proceeding to deport the alien. In such proceeding, the burden of proof shall be on the Attorney General to establish, by a preponderance of the evidence, that a condition described in paragraph (1) is met.

"(c) REQUIREMENTS OF TIMELY PETITION AND INTERVIEW FOR REMOVAL OF CONDITION.—

"(1) IN GENERAL.—In order for the conditional basis established under subsection (a) for an alien medical person, spouse, or child to be removed—

"(A) the alien medical person must submit to the Attorney General, during the period described in subsection (d)(2), a petition which requests the removal of such conditional basis and which states, under penalty of perjury, the facts and information described in subsection (d)(1), and

"(3) in accordance with subsection (d)(3), the alien medical person must appear for a personal interview before an officer or employee of the Service respecting the facts and information described in subsection (d)(1).

"(2) TERMINATION OF PERMANENT RESIDENT STATUS FOR FAILURE TO FILE PETITION OR HAVE PERSONAL INTEREVIEW.—

"(A) IN GENERAL.—In the case of an alien with permanent resident status on a conditional basis under subsection (a), if—

"(i) no petition is filed with respect to the alien in accordance with the provisions of paragraph (1)(A), or

"(ii) unless there is good cause shown, the alien medical person fails to appear at the interview described in paragraph (1)(B), the Attorney General shall terminate the permanent resident status of the alien as of the tenth anniversary of the alien's lawful admission for permanent residence.

"(B) HEARING IN DEPORTATION PROCEEDING.—In any deportation proceeding with respect to an alien whose permanent resident status is terminated under subparagraph (A), the burden of proof shall be on the alien to establish compliance with the conditions of paragraphs (1)(A) and (1)(B).

"(3) DETERMINATION AFTER PETITION AND INTERVIEW.—

"(A) IN GENERAL.—If—

"(i) a petition is filed in accordance with the provisions of paragraph (1)(A), and

"(ii) the alien medical person appears at the interview described in paragraph (1)(B),

the Attorney General shall make a determination, within 90 days of the date of the interview, as to whether the facts and information described in subsection (d)(1) and alleged in the petition are true with respect to the performance of medical services by the alien.

"(B) REMOVAL OF CONDITIONAL BASIS IF FAVORABLE DETERMINATION.—If the Attorney General determines that such facts and information are true, the Attorney General

shall so notify the alien involved and shall remove the conditional basis of the alien's status effective as of the tenth anniversary of the alien's obtaining the status of lawful admission for permanent residence.

"(C) TERMINATION IF ADVERSE DETERMINATION.—If the Attorney General determines that such facts and information are not true, the Attorney General shall so notify the alien involved and, subject to subparagraph (D), shall terminate the permanent resident status of an alien medical person, spouse, or child as of the date of the determination.

"(D) HEARING IN DEPORTATION PROCEEDING.—Any alien whose permanent resident status is terminated under subparagraph (C) may request a review of such determination in a proceeding to deport the alien. In such proceeding, the burden of proof shall be on the Attorney General to establish, by a preponderance of the evidence, that the facts and information described in subsection (d)(1) and alleged in the petition are not true with respect to the performance of medical services by the alien.

"(d) DETAILS OF PETITION AND INTERVIEW.—

"(1) CONTENTS OF PETITION.—Each petition under subsection (c)(1)(A) shall contain facts and information demonstrating that the alien performed medical services in a Health Manpower Shortage Area or obtained privileges from a hospital located within that Health Manpower Shortage Area throughout the alien's residence in the United States.

"(2) PERIOD FOR FILING PETITION.—

"(A) 90-DAY PERIOD BEFORE SECOND ANNIVERSARY.—Except as provided in subparagraph (B), the petition under subsection (c)(1)(A) must be filed during the 90-day period before the tenth anniversary of the alien's obtaining the status of lawful admission for permanent residence.

"(B) DATE PETITIONS FOR GOOD CAUSE.—Such a petition may be considered if filed after such date, but only if the alien establishes to the satisfaction of the Attorney General good cause and extenuating circumstances for failure to file the petition during the period described in subparagraph (A).

"(C) FILING OF PETITIONS DURING DEPORTATION.—In the case of an alien who is the subject of deportation hearings as a result of failure to file a petition on a timely basis in accordance with subparagraph (A), the Attorney General may stay such deportation proceedings against an alien pending the filing of the petition under subparagraph (2).

"(3) PERSONAL INTERVIEW.—The interview under subsection (c)(1)(B) shall be conducted within 90 days after the date of submitting a petition under subsection (c)(1)(A) and at a local office of the Service, designated by the Attorney General, which is convenient to the parties involved. The Attorney General, in the Attorney General's discretion, may waive the deadline for such an interview or the requirement for such an interview in such cases as may be appropriate.

"(e) TREATMENT OF PERIOD FOR PURPOSES OF NATURALIZATION.—For purposes of title III, in the case of an alien who is in the United States as a lawful permanent resident on a conditional basis under this section, the alien shall be considered to have been admitted as an alien lawfully admitted for permanent residence and to be in the United States as an alien lawfully admitted to the United States for permanent residence beginning 5 years after the conditional admission of the alien.

"(f) DEFINITIONS.—In this section:

"(1) The term 'alien medical person' means an alien who obtains the status of an alien lawfully admitted for permanent residence under section 201(a)(3) and who is a physician or nurse, licensed to practice within that state and who is competent in oral and written English.

"(2) The term 'spouse' and the term 'child' mean an alien who obtains the status of an alien lawfully admitted for permanent residence (whether on a conditional basis or otherwise) by virtue of being the spouse or child, respectively, of an alien entrepreneur.".

"(b) ADDITIONAL GROUND FOR DEPORTATION.—Section 241(a)(9) (8 U.S.C. 1251(a)(9)) is amended by inserting before the semicolon at the end thereof the following: ", or (c) is an alien with permanent resident status on a conditional basis under section 218 and has such status terminated under such section".

(c) CRIMINAL PENALTY FOR IMMIGRATION-RELATED ENTREPRENEURSHIP FRAUD.—Section 275 of such Act (8 U.S.C. 1325 is amended by adding at the end thereof the following new subsection:

(c) Any individual who knowingly performs medical services under section 109 for the purpose of evading any provision of the immigration laws shall be imprisoned for not more than 5 years, or fined not more than $250,000, or both.".

(d) LIMITATION ON ADJUSTMENT OF STATUS.—Section 245 of such Act (8 U.S.C. 1255) is amended by adding at the end the following new subsection:

"(f) The Attorney General may not adjust, under subsection (a), the status of an alien lawfully admitted to the United States for permanent residence on a conditional basis under section 218.".

(e) CONFORMING AMENDMENT.—The table of contents of such Act is amended by inserting after the item relating to section 217 the following new item:

"SEC. 218. CONDITIONAL PERMANENT RESIDENT STATUS FOR TRAINED MEDICAL PERSONNEL, SPOUSES, AND CHILDREN.".

COMPETITIVE WHOLESALE ELECTRIC GENERATION ACT

JOHNSTON AMENDMENT NO. 267

(Ordered referred to the Committee on Energy and Natural Resources.)

Mr. JOHNSTON submitted an amendment intended to be proposed by him to the bill (S. 406) to authorize competitive oil and gas leasing and development on the Coastal Plain of the Arctic National Wildlife Refuge in a manner consistent with protection of the environment, and for other purposes, as follows:

Strike all after the enacting clause and insert the following:

"That this Act may be referred to as the 'Competitive Wholesale Electric Generation Act of 1989'.

"SEC. 2. EXEMPT WHOLESALE GENERATORS.

"(a)(1) 'Exempt wholesale generator' shall mean any person who is engaged directly, or indirectly through one or more affiliates of such person as defined under section 2(a)(11)(B) of the Act, exclusively in the business of owning or operating all or part of one or more eligible facilities and selling electric energy at wholesale: *Provided*, That the term 'exempt wholesale generator' shall exclude an affiliate of a registered holding company, which affiliate was in existence as of the date of enactment hereof, unless the Commission has consented.

"(2) 'Eligible facility' shall mean a facility, wheresoever located, used for the generation of electric energy exclusively for sale at wholesale (including inter-connecting transmission facilities necessary to effect such sale at wholesale), but shall exclude any facility for which consent is required under paragraph (3) and has not been obtained. For purposes of this subsection, the term 'facility' shall include a portion of a facility.

"(3) As of the date of enactment hereof, if a rate or charge for, or in connection with, the construction of a facility, or for electric energy produced by a facility (other than any portion of a rate or charge which represents recovery of the cost of a wholesale rate or charge) was in effect under the laws of any state, consent with respect to such facility shall be required from any State commission having jurisdiction over such rate or charge.

"(b) An exempt wholesale generator shall not be considered an 'electric utility company' under section 2(a)(3) of the Act and, whether or not a subsidiary company, an affiliate, or an associate company of a holding company, shall be exempt from all provisions of the Act.

"(c) Notwithstanding any provisions of the Act, a holding company that is exempt under section 3 of the Act shall be permitted without condition or limitation under such Act to acquire and maintain an interest in the business of one or more exempt wholesale generators.

"(d) Notwithstanding any provision of the Act and the Commission's jurisdiction as provided under subsection (e), a registered holding company shall be permitted without the need to apply for, or receive approval from the Commission, and otherwise without condition under the Act, to acquire and hold the securities, or an interest in the business, of one or more exempt wholesale generators.

"(e) The issuance of securities by a registered holding company for purposes of financing the acquisition of an exempt wholesale generator, the guarantee of securities of an exempt wholesale generator by a registered holding company, the entering into service, sales or construction contracts, and the creation or maintenance of any other relationship in addition to that described in subsection (d) between an exempt wholesale generator and a registered holding company, its affiliates and associate companies, shall remain subject to the jurisdiction of the Commission under the Act: *Provided*, That:

"(1) Section 11 of the Act shall not prohibit the ownership of an interest in the business of one or more exempt wholesale generators by a registered holding company (regardless of where facilities owned or operated by such wholesale generators are located), and such ownership by a registered holding company shall be deemed consistent with the operation of an integrated public utility system; and

"(2) The ownership of an interest in the business of one or more exempt wholesale generators by a registered holding company (regardless of where facilities owned or operated by such exempt wholesale generators are located) shall be considered as reasonably incidental, or economically necessary

or appropriate to the operations of an integrated public utility system.

"(f) For purposes of this section, all references to 'the Act' shall mean the Public Utility Holding Company Act of 1935, as amended. All of the terms used in this section and defined in the Act shall have the same meaning as defined therein.

"SEC. 3. OWNERSHIP OF EXEMPT WHOLESALE GENERATORS AND QUALIFYING FACILITIES.

"The ownership by a person of one or more exempt wholesale generators shall not result in such person being considered as being primarily engaged in the generation or sale of electric power within the meaning of sections 3(17)(C)(ii) and 3(18)(B)(ii) of the Federal Power Act, as amended.

"SEC. 4. PRESERVATION OF STATE AUTHORITY.

"Nothing in this Act shall preempt or otherwise restrict such power as State regulatory authority may have, in accordance with State and Federal law and in the absence of the enactment of this Act, to judge the prudence of a purchase of electric energy at wholesale, deny the inclusion of the cost of such a purchase in rates subject to such authority's jurisdiction, or otherwise exercise its functions.".

Mr. JOHNSTON. Mr. President, today I am introducing the Competitive Wholesale Electric Generation Act of 1989 as an amendment to S. 406. The purpose of this legislation is to remove the obstacles to competitive wholesale generation contained in the Public Utility Holding Company Act of 1935 [PUHCA]. For reasons that I will elaborate upon, independent power producers [IPP's] whether they are utilities or nonutilities, must generally develop their projects using a holding company format. PUHCA, however, effectively prevents the use of holding companies for these purposes. My legislation would simply modify the Holding Company Act so as to remove this limitation. It has been narrowly crafted to achieve this purpose.

The legislation process would be well served if I also make it clear what this legislation does not do.

First, my amendment would not force anyone to do anything. The effect of the legislation is to create a new type of electric supply option. It does not mandate a particular structure for the electric utility industry.

Second, my amendment does not repeal PUHCA. There are those who would argue that the Holding Company Act has outlived its usefulness and become nothing more than a burdensome anachronism. However, the resolution of that issue will have to wait for another day. My legislation changes PUHCA only to the extent necessary to allow independent power production to go forward. I believe my amendment may be necessary to accommodate growing competition in wholesale power generation. The possibility of such direct competition simply was not foreseen by Congress when it enacted PUHCA. Thus, this legislation represents modernization, rather than repudiation, of regulation under the Holding Company Act.

Third, my amendment does not deal with the issue of when market pricing for wholesale power should or should not be permitted—that is whether or not a given entity can be an IPP. Rather it deals with an antecendent problem: The fact that without the ability to develop generation using holding company structures, IPP's—and what they make possible in terms of competition in wholesale generation—are effectively precluded, regardless of the availability of market pricing.

It should be recognized that the question of when a seller of wholesale power should be permitted to charge an unregulated price arises solely under the Federal Power Act and has nothing to do with PUHCA. Recently, IPP's and market pricing have been the subject of a controversial set of notices of proposed rulemaking [NOPR's] issued by the Federal Energy Regulatory Commission [FERC]. I do not believe that the process under which the NOPR's have been considered thus far has been sufficient to support a generic resolution of market pricing and related issues. Given the importance of these matters, the question of market pricing for wholesale power should remain for the time being where it is: a matter for case-by-case determination by FERC.

While there is a lack of agreement concerning specific rules for market pricing, there may be an emerging consensus that IPP's and competitive acquisition of wholesale power should at least be an option and thus that the separate statutory obstacles to independent power production contained in the Holding Company Act should be removed. The purpose of my amendment is the removal of these obstacles for utilities and nonutilities alike.

Mr. President, at the outset I emphasized one of the threshold questions we must answer: Is it in the public interest for independent power production and competition in bulk power to be an option for the future? The introduction of this legislation will begin to answer that question. If the answer is yes, it will also begin the process of determining if this amendment is the appropriate means to achieve those ends. My own mind remains open on the fundamental question. I very much look forward to the educational process this legislation will engender.

For the last 2 years there has been an intensive policy debate on the issue of competition in wholesale generation. The debate has involved regulators, utility executives, consumer advocates, aspiring independent power developers, economists, lawyers, architect-engineers, equipment manufacturers, and investment bankers. It has occurred before State utility commissions, before FERC, and in endless numbers of studies, conferences, seminars, and symposia. But the debate has not yet been brought to Capitol Hill, and it is Congress and the President who ultimately have the weighty responsibility of determining national energy policy.

Those who argue against enhancement of competition in wholesale generation express concerns that such actions will cause loss of economies of coordination, lack of reliability, unwise fuel choices, overreliance on contractual obligations as a means of ensuring power supply, and overemphasis on price versus nonprice factors in purchasing power competitively. In general, they assert that the natural monopoly characteristics of generation remain intact and that vertically integrated utilities are most likely to be able to provide adequate, reliable power at least cost.

Those who support Holding Company Act changes cite the positive experience with competition under the Public Utility Regulatory Policies Act of 1978 [PURPA], the present existence of willing buyers and sellers for IPP power who are stymied by PUHCA, the preference of economic theory for workable competition over regulation, and the growing concern by some analysts that utilities by themselves will have difficulty in meeting imminent needs for new generation. In general, advocates of change point out that if Holding Company Act legislation merely creates the option but not the requirement for independent power production, one must assume serious and prolonged errors in judgment by both purchasing utilities and State regulatory commissions in order to argue that the Nation's electric supply would be harmed by enactment of legislation. In other words, if in a given instance IPP power is unacceptable, it simply need not be purchased.

In judging between these two positions, Congress must recognize that an ample, economical and dependable supply of electricity is fundamental to every aspect of the Nation's well-being. Major decisions on electric regulation should not be made lightly. On the other hand, few policy changes are ever made without some uncertainty and ultimately some negative consequences. The task will be to balance all appropriate considerations.

Mr. President, I ask unanimous consent that the background and summary of the legislation be printed in the RECORD.

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

BACKGROUND AND SUMMARY OF THE COMPETITIVE WHOLESALE ELECTRIC GENERATION ACT OF 1989

THE CURRENT SITUATION

Traditional Regulation

Generation has traditionally been supplied on a monopoly basis by utilities subject to cost of service regulation. Under cost-of-service regulation, utilities (both wholesale and retail) are permitted to set rates so as to recover their expenses plus a return on capital investment (rate base). Until the 1970's, factors affecting electric utilities were predictable; the real price of electricity declined; and cost-of-service regulation functioned fairly well. Since then, various changes (high real interest rates, unpredictability of demand, increasing construction costs to name a few) have raised concerns about the current system.

In general terms, cost-of-service regulation may create a poor match of risk to reward because it gives utilities a chance of recovering all costs while eliminating the possibility that gains from increased productivity can be kept. Conversely, cost-of-service regulation can be used by regulatory commissions as an arbitrary device for heaping all risks on utilities.

Lessons and Limitations of the PURPA Experience

Until recently, it was thought that electric generation generally has the characteristics of a natural monopoly. That is, it was assumed that a single utility in a given market will always be able to reduce costs through economies of scale such that smaller competitors are driven out of business. Experience under PURPA has provided some reason to question this assumption.

PURPA gives developers of qualifying facilities (QFs) certain preferential rights. QFs are either cogeneration facilities (facilities that produce electricity and useful thermal energy) or small power production facilities (facilities whose primary energy source is solar, hydropower, waste, biomass, wind or other renewable resources). Qualifying facility status generally gives a project developer the right to receive back-up power, state and federal regulatory exemptions (including exemption from PUHCA), and the right to sell electricity to a given utility at the utility's avoided cost. PURPA defines avoided cost as the cost that a utility avoids in generating electricity itself or not purchasing it from another source.

Contrary to original expectations, PURPA has produced an explosion of QF development (approximately 25,000 MW), and this process has occurred under increasingly competitive conditions. The early years of PURPA were sometimes marked by excessive payments to QFs. However, as QFs began to be able in some instances to offer more capacity than utilities needed, rates paid for QF power were frequently negotiated down below the purchasing utility's own avoided cost. More recently, a growing number of states (16 by last count) have adopted, or are in the process of adopting, bidding programs for the acquisition of QF capacity by their native utilities.

In bidding programs, avoided costs prices effectively amount to market rates because they are set through direct competition between QFs and any other competing sources of supply. Bidding programs to date have exhibited a high degree of competition among suppliers. Typically, they have resulted in prices and conditions that, for various reasons, are better for ratepayers than what the purchasing utility can offer. While the track record of bidding is not yet well established, it provides some empirical basis for believing that competition in wholesale power markets can operate and benefit consumers significantly. Furthermore, the beneficial results of bidding to date are not necessarily surprising, orthodox economic theory generally holds that workable competition is a superior alternative to regulation.

There are, however, practical problems with continued development of QFs under PURPA. For small power producers, limitations on the economics of renewable resources means these sorts of QFs cannot make major contributions to power needs. Similarly, future development of congeneration is becoming increasingly restricted as available steam hosts are used up.

Given the possibilities for competition demonstrated by PURPA, a logical step would be to allow such competition to take place free of the technological restrictions of QF status. In addition, it would make sense in a competitive context to remove two of the other distorting aspects of the PURPA regime: restrictions on ownership of QFs by utilities and the facial requirement that utilities purchase all power offered by QFs. In essence, what is left after these changes are made is the concept of an IPP.

INDEPENDENT POWER PRODUCERS

In general terms, an IPP is a person (utility or nonutility) who owns a wholesale generating facility and who, because of a lack of market power, is permitted under the Federal Power Act to charge an unregulated price for power that the facility produces. Lack of market power in this context would mean either that 1) the IPP is not selling to an affiliated company and does not control transmission access to potential buyers of power from the facility or 2) the IPP is selling to an affiliate, or it controls transmission access to the buyer, but abuse of market power is prevented through regulatory oversight or conditions (example: FERC approves a market-priced power sale between affiliates because the rate is below a similar arms-length transaction between the affiiate-buyer and an unaffiliated entity).

THE NEED FOR CHANGES TO THE HOLDING COMPANY ACT

Limitations on IPP Development Under PUHCA

The QF experience under PURPA suggests that consumers could benefit from the existence of IPPs as a supply option. The need for such an option may be more than theoretical. A growing number of analysts predict large demands for new generation in the 1990s and note with alarm that much of it has not been planned. More to the point, there are at this moment a number of willing utility buyers and willing sellers (both utility and nonutility) for IPP projects who are stymied in their efforts. The obstacle standing in the way of these projects is not the need to get FERC approval for market rates, but the effective bar posed by the Public Utility Holding Company Act of 1935.

As a practical matter, IPP projects generally must be developed in a holding company format, whether they be developed by utilities or nonutilities. First, there is general consensus that the financial markets will require IPPs to be project financed. That is, debt lenders will provide capital only if it is secured by a corporate entity which controls project assets and revenues. Equity participants in turn will demand that their liability be non-recourse (i.e. limited to the value of project assets). The only effective way for these requirements to be met is by creating a separate corporate entity to develop an individual project, thus creating a holding company structure. Second, for reasons or organizational convenience, corporations generally desire to separate different lines of business into separate subsidiaries, again requiring a holding company structure. Third, to the extent that utilities develop IPPs, regulators will generally require the creation of separate subsidiaries for purposes of risk separation and cost accounting.

Unfortunately, the ownership of an IPP in a holding company format generally makes a parent owner (and its IPP) subject to the Holding Company Act. Under PUHCA, when a corporation owns more than ten percent of a separate corporate entity engaged in the business of electric generation (i.e. an IPP), it generally becomes a "holding company" subject to the provisions of the Act. All holding companies under the Holding Company Act must either become "exempt holding companies" or "registered holding companies."

As the name implies, exempt holding companies are not subject to most provisions of the Holding Company Act. However, in order to be exempt, a holding company must meet one of five criteria set out in section 3 of PUHCA. These criteria variously restrict a holding company's geographical scope of operations, its ability to be engaged in anything other than utility business, or its ability to be engaged in the utility business itself. Because of the narrow focus of the criteria and other provisions of the Holding Company Act which restrict utility acquisitions by exempt companies and give the SEC discretion to revoke an exemption in the public interest, status as an exempt holding company offers only very limited opportunities for IPP development.

In the case of registered companies, PUHCA is even more restrictive. For those companies that are not currently registered holding companies, the burdens of such status effectively preclude it as an option. Among other provisions, the Holding Company Act pervasively regulates the issuance and acquisition of securities by registered companies, requires registered companies to be operated as integrated utility systems, generally prohibits the ownership of utility and nonutility businesses which are not related to the operation of an integrated system, and requires simplification of corporate structures. Even for those companies that are already registered companies, the provisions of the Act requiring operation as an integrated system and restricting entry into unrelated businesses effectively prohibit most opportunities for IPP development.

In short, whether one is a non-utility, a simple investor-owned utility, an exempt holding company, or a registered holding company, the Holding Company Act stands as a practical bar to most opportunities for IPP development. While there are a few ways in which the restrictions of the Act may be circumvented, they have limited use. Thus, to the extent that positive opportunities for competition in wholesale power generation exist, they will be lost without changes in PUHCA.

The Obstacles to Competition in PUHCA Can Be Removed Consistent With the Public Interest

The problems that the Holding Company Act was originally intended to remedy are today largely prevented by other statutory

regimes. When the Act was enacted in 1935, control of the electric utility industry was concentrated in a few large holding companies whose operations were abusive both to investors and ratepayers. Problems included excessive profits from transactions between affiliates, issuance of securities on the basis of unsound asset values, statements of earnings based on paper profits from affiliate transactions, and the use of inconsistent accounting practices. At that time, however, the two federal securities acts and the Federal Power Act had only just been enacted. State utility laws were in their nascent stages and in some cases did not even exist. Since then the regulatory regimes created by these statutes have come into their own and to a large extent provide duplicative protections to those contained in the Holding Company Act. The Holding Company Act in turn has become somewhat superfluous.

SUMMARY OF THE LEGISLATION

Section 2

Subsection (a)

The legislation uses the term "Exempt Wholesale Generator" (EWG), rather than IPP, to designate entities exempt from PUHCA in order to clarify that the legislation is dealing only with structural problems in the Act. The term "IPP" generally denotes an entity that receives market pricing under the Federal Power Act. Since the legislation does not deal with market pricing it adopts different terminology for purposes of clarity.

Under paragraph (1), an EWG is basically a corporate person who is engaged exclusively in the wholesale generation business. Section 2(a)(11)(B) of PUHCA mentioned in paragraph (1) references downward affiliates. Thus, for purposes of the legislation an EWG could be an "EWG holding company" as well as an individual EWG affiliate engaged in developing specific projects.

The definition of an EWG has been drafted so as to permit an EWG to sell wholesale power that it has not necessarily generated itself. It appears that buyers of wholesale power may frequently desire to purchase capacity in increments that exceed what the most economical unit would produce. Consequently, the legislation would permit an EWG, for example, to generate 350 MW and purchase an additional 50 MW in order to meet a purchaser's 400 MW capacity need.

Paragraph (1) excludes affiliates of a registered holding company that are in existence as of the date of enactment from being EWGs, affiliates of registered companies would automatically become exempt from the Holding Company Act upon enactment and thus be able to circumvent the approvals required for affiliates of registered companies under subsection (e).

EWGs may only own "eligible facilities". Under paragraph (2) of subsection (a), an "eligible facility" is any generating facility which is used exclusively for wholesale generation and for which any regulatory approvals required under paragraph (3) have been obtained.

Paragraph (3) requires approval from the state regulatory authority of any state in which a facility is in retain rate base or generating retail construction work in progress (CWIP) as of date of enactment. In most cases state law is likely to require such approval independently, but it is not clear that this will be true in all cases. Thus, approval is required under the draft legislation so as to ensure that ratepayers are not disadvantaged by a change in the status of a facility that has received financial benefits (i.e. CWIP or rate base treatment) based on the assumption of dedicated service to such ratepayers. The problem dealt with in paragraph (3) does not arise in the case of preexisting wholesale facilities because it is clear that any change in the status of such facilities requires FERC approval under the Federal Power Act.

Finally, for purposes of subsection (a) a "facility" includes a portion of a facility. Thus, a given generating unit could produce power for sale at wholesale and retail, and the undivided portion producing wholesale power could be an "eligible facility" owned by an EWG.

Subsection (b)

Subsection (b) exempts EWGs in their corporate personalities from all provisions of PUHCA. By providing that an EWG is not an "electric utility company" under PUHCA, the legislation also ensures that a company, which is not currently subject to PUHCA, cannot become subject to it by owning an EWG. This follows because the Holding Company Act only regulates "holding companies", and a holding company is defined in relevant part as a company that owns an electric utility company.

Subsection (c)

For exempt holding companies, the chief obstacle to the ownership of EWGs (other than problems covered in subsection (a) and (b)) is the restrictive terms of exempt status as provided in section 3 of PUHCA. Subsection (c) simply makes it clear that section 3 and related provisions do not bar EWG ownership by exempt holding companies.

Subsection (d)

Subsection (d) provides that a registered holding company may without further conditions under PUHCA acquire an EWG. In the absence of this provision, the acquisition by a registered company of any securities or interest in any business would require SEC approval.

Subsection (e)

Subsection (e) provides that if a registered holding company wants to: (1) issue securities (e.g. common equity) for purposes of financing an EWG; (2) guarantee the securities (e.g. debt) of an EWG; or (3) enter into service, sales, or construction contracts, or other relationships with an EWG (other than mere ownership), such actions remain subject to the SEC's existing jurisdiction under PUHCA, except that the provisions of section 11 of the Act are effectively negated for such purposes.

Section 11 requires each registered company to be operated as an integrated system and requires all of a registered company's businesses to be "functionally related" to integrated system operation. In the absence of section 11's prohibitions and policies, any approvals required under PUHCA for the creation of relationships between a registered company and an EWG will be made under the SEC's remaining authorities.

One of the advantages available to EWGs is the use of leveraged capital structures (i.e. those with a high proportion of debt) as a means of lowering overall capital costs. Typically, non-utility generation to date has employed such leveraging. In introducing this legislation it is my intention that the EWGs owned by registered holding companies have this same opportunity on equal terms. As a matter of regulatory policy, the SEC has generally required registered companies to maintain a 65% debt-equity ration on a consolidated basis. I believe that the SEC will take into account the generally higher debt ratio of EWGs and in considering the consolidated balance sheet of a registered company not automatically and inflexibly apply the 65% ratio. In particular, EWG debt which is non-recourse with respect to the registered holding company or its utility affiliates ought not to be considered by the SEC in applying the 65% ration to the consolidated balance sheet. If there are indications after hearing that the SEC will not be flexible in its consideration of these issues, then I will further consider addressing this issue in the legislation.

Finally, the Holding Company Act has always been interpreted by the SEC to exclude regulation of electric power sales since such transactions are regulated under the Federal Power Act. The legislation assumes this continuing interpretation.

Subsection (f)

Subsection (f) provides that references to "the Act" in Section 2 of the bill are references to PUHCA. Subsection (f) also provides that terms used in Section 2 and defined in PUHCA shall have the meanings defined therein.

Section 3

PURPA limits ownership of QFs to persons not primarily engaged in the generation of electricity (other than by means of QFs). Under FERC's interpretation of this provision, electric utilities may own no more than 50% of a QF. Section 3 ensures that a non-utility company which acquires an exempt wholesale generator is not forced to divest itself of 50% of an existing QF, and is not limited in its ability to own 100% of a new QF, as a result of an argument that it has become primarily engaged in the generation of electric power.

Section 4

Section 4 is a savings provision which maintains the existing division between federal and state jurisdiction over electric transactions. At present, the precise boundaries between federal and state jurisdiction are murky in situations involving registered holding companies. States may fear encroachment by FERC into their ratemaking powers. Section 4 makes clear that the jurisdictional status quo, such as it is, remains unchanged.

NOTICES OF HEARINGS

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. INOUYE. Mr. President, I would like to announce that the Select Committee on Indian Affairs will be holding a hearing on Friday, July 21, 1989, beginning at 9:30 a.m., in 485 Russell Senate Office Building on H.R. 498, the Indian Law Enforcement Reform Act.

Those wishing additional information should contact the Select Committee on Indian Affairs at 224-2251.

Mr. President, I would like to announce that the Select Committee on Indian Affairs will be holding a hearing on Thursday, July 27, 1989, beginning at 9:30 a.m., in 485 Russell Senate Office Building on S. 143, the Indian Development Finance Corporation Act; S. 1203, the Indian Economic Development Act of 1989; and oversight on implementation of the 1988 Indian Financing Act Amendments.

Those wishing additional information should contact the Select Committee on Indian Affairs at 224-2251.

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS

Mr. BUMPERS. Mr. President, I would like to announce that the hearing before the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources, which was previously announced for August 1 at 2 p.m., has been rescheduled for July 24 at 10 a.m. The measure to be heard is S. 974, a bill to designate certain lands in the State of Nevada as wilderness, and for other purposes.

For further information regarding the hearing, please contact Beth Norcross of the subcommittee staff at (202) 224-7933.

COMMITEE ON ENERGY AND NATURAL RESOURCES

Mr. WIRTH. Mr. President, I would like to announce for the public that a hearing has been scheduled before the full Committee on Energy and Natural Resources to receive testimony on the formulation of a National Energy Plan and related policies which affect global climate change. Secretary of Energy, Adm. James D. Watkins, is scheduled to testify.

The National Energy Policy hearing will take place Tuesday, July 26, 1989, at 2:30 p.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, anyone wishing to submit written testimony to be included in the hearing record is welcome to do so. Those wishing to submit written testimony should send two copies to the full committee, SD-306, Washington, DC 20510.

For further information, please contact Leslie Black of the committee staff at (202) 224-4971 or David Harwood, legislative assistant with Senator Wirth, at (202) 224-5852.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON MERCHANT MARINES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Merchant Marine Subcommittee of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on July 13, 1989, at 9:30 a.m. to hold a hearing on national sealift policy, capability, and concerns.

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

COMMITTEE ON ARMED SERVICES.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Thursday, July 13 at 9 a.m. and 2 p.m. in executive session to mark up S. 1085, the Department of Defense authorization bill for fiscal years 1990-91; to receive a report from the Senate Select Committee on Intelligence; and to possibly act on certain pending military nominations and other nominations.

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

COMMITTEE ON VETERANS' AFFAIRS

Mr. MITCHELL. Mr. President, the Committee on Veterans' Affairs would like to request unanimous consent to hold a markup on S. 1153, the proposed Veterans' Agent Orange Exposure and Vietnam Service Benefits Act of 1989, S. 1243, the proposed Court of Veterans Appeals Judges Retirement Act, reconciliation legislation, major medical construction project approval resolution, section 302(b) allocation under the fiscal year 1990 budget resolution on Thursday, July 13, 1989, at 9 a.m. in SR-418.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, July 13, at 2 p.m. to hold a hearing on international aspects of oilspill prevention, cleanup, and compensation.

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

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate Thursday, July 13, 1989, at 9 a.m. to conduct hearings on the nomination of Francis Keating, to be General Counsel of HUD; at 9:30 a.m. to vote on nominations, committee business matters, and legislation pending before the committee; and, at 10 a.m. to conduct hearings on financial services in the 1990's.

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

SUBCOMMITTEE ON ENVIRONMENTAL PROTECTION

Mr. MITCHELL. 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 Thursday, July 13, beginning at 9:30 a.m., to conduct a hearing on the recent oilspills in the coastal waters of Rhode Island, the Delaware River, and the Houston Ship Channel.

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

SUBCOMMITTEE ON THE CONSTITUTION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on the Constitution of the Committee on the Judiciary, be authorized to meet during the session of the Senate on Thursday, July 13, 1989, at 2 p.m., to hold a hearing on civil rights commissions.

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

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Thursday, July 13, 1989, at 9 a.m. in SR-332, to receive testimony on disaster assistance.

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committeee on Energy and Natural Resources be authorized to meet during the session of the Senate, July 13, 10 a.m., to receive testimony from the administration on S. 710, S. 711, and S. 712, legislation to provide for a referendum on the political status of Puerto Rico.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, July 13, 1989, at 2 p.m., to hold a closed markup on the fiscal year 1990-91 intelligence authorization.

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

ADDITIONAL STATEMENTS

ARTICLE BY JOHN G. ONTO ENTITLED ECONOMIC POPULISM EQUALS ECONOMIC SUICIDE

● Mr. WALLOP. Mr. President, I would encourage my colleagues to read an article I am submitting for the RECORD written by John G. Onto—the director for the Center for International Business and Trade, a part of the Georgetown University's School of Business.

I strongly believe that his premise that "Economic Populism Equals Economic Suicide" is right on the money. In our deliberations here in the Senate last year, I warned my friends of the possible ramifications of attacks using section 301 of the "Omnibus Trade and Competitiveness Act of 1988." It is a popular plight to call for the strong arm approach when dealing with our trading partners and their respective barriers to what we term free trade. Our constituents like to see us throw our weight around. However, I have oftentimes found the popular thing in the public's eye is not always the most

prudent and steadfast method of achieving the desired result here in the legislature.

The answer clearly is not to cast blame upon our trading partners for the Untied States is as guilty as the rest and could doubtfully pass our own 301 "litmus" test. This Japan bashing, India bashing, or Brazil bashing, among others, I fear, will not result in a fearful submission by these nations. Contrarily, a nationalistic resentment of our actions will inflict a reciprocal hostility and move us further away from productive negotiating and in the direction of a destructive trade war.

If the United States desires to move in the right direction, let's not look for someone to blame. Let's improve America's productivity, America's competitiveness, and America's overall position while effectively and productively negotiating to reach our goal of a worldwide system of free trade.

Mr. President, I ask that the article by Mr. John G. Onto entitled "Economic Populism Equals Economic Suicide" be printed in the RECORD.

The article follows:

FROM THE DIRECTOR—ECONOMIC POPULISM=ECONOMIC SUICIDE

A fast track to garnering public attention is to develop strident tones in which to describe trading practices of countries with which the US experiences trade deficits. The underlying assumption of those offering blandishments is that the US trade deficit is a function of the aberrant commercial behavior of these countries.

They are absolutely right. But, not to the extent they would have us believe. There are many estimates of the impact on our balance of trade of restrictive trade barriers imposed by our trading associates. At the most, this impact is not greater than $35 billion. If all trade barriers impacting on US exports were lifted tomorrow, the best that can be said is that the annual trade deficit would be reduced to $95 billion. These barriers are a convenient scapegoat for a lack of international competitiveness. They provide a facade of legislative energy in the absence of action intended to address the real problems confronting this country but may require politically dangerous albeit courageous behavior.

We have a greater concern. The economic rabble-rousing aimed at our trading allies is not playing well in those countries. Indeed, as the belligerence of Washington pols receives airplay in the target countries, they are performing a disservice to US firms attempting to market their goods and services in those regions. We cannot threaten these countries into any more than symbolic responses (witness the meat hormone debacle) and may well stimulate negative responses. Threats always produce a response; the risk is that the response is unpredictable and often not that sought by the threatening party.

A groundswell is building in this country in favor of some form of retaliatory action manifested in protectionist behavior. When these actions eventuate they will be justified as retaliatory and portrayed as a demonstration of US strength. They will also be portrayed a part of a negotiating strategy aimed at developing a process of concession trading. This is a high risk and intellectually flawed strategy. A possible response may be reciprocal behavior by others. As The Economist recently pointed out, the benefits of free trade accrue regardless of bilateral or multilateral responses and are available to countries who unilaterally practice free trade. Similarly, benefits are lost not when others apply restrictive policies, but when we apply them against others. Production costs increase, resource diversion from areas of comparative advantage occurs, international competitiveness is lost, productivity declines and prices to consumers rise. Moreover, these actions will not be seen by our trading partners as retaliatory but, rather, as an inflammatory extension of protectionist sentiment which has been building since the early 1980s.

We applaud the courage of President Bush's chief economic advisor, Michael Boskin, who opposes the groupthink mentality evident in the Administration and in the Congress, and is correctly warning of the dangers of Japan-bashing. He rightly recognizes who will pay the costs of these "macho" actions—the Americans consumer.●

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 Ms. Jo Sherman, a member of the staff of Senator SIMPSON, to participate in a program in Germany, sponsored by Haus Rissen, International Institute for Politics and Economics, from August 13 to 23, 1989.

The committee has determined that participation by Ms. Sherman in the program in Germany, at the expense of Haus Rissen, 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 Senator and Mrs. Simpson to participate in a program in Taiwan, sponsored by the Chinese National Association of Industry and Commerce, from June 25-29, 1989. Senator and Mrs. Simpson have also requested a determination for their participation in the second UW-Pacific Rim Symposium in Hong Kong, sponsored by the University of Wyoming Foundation, from June 29-30, 1989.

The committee has determined that participation by Senator and Mrs. Simpson in the program in Taiwan, at the expense of the Chinese National Association of Industry and Commerce, and in the program in Hong Kong, at the expense of the University of Wyoming 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 Alex Echols, a member of the staff of Senator KASTEN, to participate in a program in Taiwan, sponsored by the Chinese Culture University, from July 1 to 9, 1989.

The committee has determined that participation by Mr. Echols in the program in Taiwan, at the expense of the Chinese Culture University, 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 Keith Smith, a member of the staff of Senator MCCONNELL, 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. Smith in the program in Taiwan, at the expense of Soochow University, 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 Greg D. Kubiak, a member of the staff of Senator BOREN, to participate in a program in Taiwan, sponsored by the Chinese Culture University, from July 1 to 9, 1989.

The committee has determined that participation by Mr. Kubiak in the program in Taiwan, at the expense of the Chinese Culture University, 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 Mandy Arney, a member of the staff of Senator WALLOP, to participate in a program in Taiwan, sponsored by the Chinese National Association of Industry and Commerce, from June 25 to July 1, 1989.

The committee has determined that participation by Ms. Arney in the program in Taiwan, at the expense of the Chinese National Association of Industry and Commerce, 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 Senator and Mrs. Wallop to participate in a program in Taiwan, sponsored by the Chinese National Association of Industry and Commerce, from June 25 to July 1, 1989.

The committee has determined that participation by Senator and Mrs. Wallop in the program in Taiwan, at the expense of the Chinese National Association of Industry and Commerce, is in the interest of the Senate and the United States.

The select committee has received a request from Senator CHAFEE for a determination under rule 35 for Robert

Vastine, staff director of the Senate Republican Conference, to participate in a program in West Germany, sponsored by Haus Rissen, the International Institute for Politics and Economics, from August 13 to 23, 1989.

The committee has determined that participation by Mr. Vastine in the program in West Germany, at the expense of the Haus Rissen, is in the interest of the Senate and the United States.●

STEEL SUPPLIERS SUPPORT VRA EXTENSION

● Mr. HEINZ. Mr. President, recently there has been some criticism of extension of the steel voluntary restraint agreements from a few, vocal customers of the steel industry. This group claims that VRA's are a detriment to their respective businesses and are denying U.S. industries "free market" opportunities.

In view of these assertions, it is important to recognize the equally vocal and more numerous supporters of VRA extension for 5 more years. Today, I want to discuss the depth of support VRA's have received from suppliers to the industry.

Ranging from the production of hydrochloric acid to various minerals, these concerned supply companies thrive on their interdependent relationship with the steel industry. Without the extension of the President's voluntary restraint program, these companies fear they will suffer along with the rest of the steel industry. Only with a renewed program in place will we be in a strong position to pursue the dismantling of international foreign steel subsidies, so that we can achieve a truly free and fair market.

The diversity of the respective suppliers who wrote me, in terms of size and production, did not detract from their common theme. All of the companies believe that extending VRA's is the only way the steel industry will be able to continue its reemergence to domestic and international competitiveness. For example, the DAK Supply Corp. which has 64 employees stated:

> America's steel industry is just now recovering from the worst depression ever in its industry. Continued support of VRAs will ensure that this progress will prevail.

In the past 5 years VRA's have: First, helped establish restraints on unfair and illegal steel imports; second, allowed domestic producers to begin recovery from the financial crisis of 1982-86; and third, enabled domestic steel producers to take significant steps to improve their international competitiveness.

The steel industry's suppliers' support for the extension of VRA's is impressive. They have already demonstrated substantial concern for the industry and for themselves individually, and they will continue to do so.

Mr. President, in closing I would like to quote from a letter I received from Betz Metchem, and I ask that a selection of the letters be printed in the RECORD, following my remarks:

> At this time 15 percent of the American steel capacity is in chapter 11. Unless the U.S. Government is prepared to subsidize the industry, as many foreign governments do, it must give the industry some protection from dumping of excess foreign capacity into our country. We must give our industries the opportunity to compete fairly in the world economy.

The selection of letters follows:

March 27, 1989.

Hon. H. JOHN HEINZ III,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR HEINZ: I write to you both as an individual and on behalf of my company (Betz Metchem) and our employees in support of an extension of the Steel Voluntary Restraint Agreement (VRA's).

Betz Laboratories, Inc. is a specialty chemical company headquartered in Trevose, PA. We are now entering our 64th year in the specialty chemical business. Specifically, Betz utilizes specialty chemicals to prevent corrosion, deposition, and MB fouling in boiler and cooling systems. We are also intimately involved in wastewater clarification and gas scrubber efficiency improvements.

The Metchem division of Betz Laboratories is directly involved and a partner with the Steel, Auto, Container and Metal Preparation Industries. We have been partners for many years—the pre-VRA years when imports were dumped in the U.S. to an extent that they achieved nearly a 30% marketshare. The pre-VRA years when the industry was near collapse under the weight of losses nearing $12 billion. The pre-VRA years when bankruptcies were almost assured for most U.S. Steel companies. We have been partners in the VRA years when the industry was able to modernize—continuous cast steel is now approximately 60% of U.S. capacity from 20% in 1980. The VRA years when the steel industry began to recovery from the "depression" of the early '80's. The VRA years when the American steel industry recovered and again represents pride in America.

Senator Heinz, with the VRA's due to expire in September 1989, I/we feel strongly that we must extend this program. The restructuring, modernization and recovery of the industry is not yet complete. At this time 15% of the American steel capacity is in Chapter 11. Unless the U.S. government is prepared to subsidize the industry, as many foreign governments do, it must give the industry some protection from dumping of excess foreign capacity into our country. We must give our industries the opportunity to compete fairly in the world economy.

History has proven that the predictions of the anti-VRA people have not occurred. The industry has not become complacent but has modernized and reduced production costs. (We are near being the lowest cost producer in the world.) The VRA has not had an adverse effect on our foreign trade. The negative import to export numbers prove that. The price of steel did not escalate. The price of carbon steel is still 5 percent lower in current dollars than they were when VRA's were instituted.

I/we strongly believe that the VRA extension is critical to the long term recovery of the American Steel Industry. For America to remain strong we need a strong American Steel Industry.

We must invest in the future of our country. We, respectfully, urge your support for that investment by voting for the VRA program. Thank you in advance for your consideration and support.

Sincerely,

BETZ METCHEM,
Executive Vice President.

LEONARD R. WALL,
A Concerned American.

AMERICAN IRON ORE ASSOCIATION,
Cleveland, OH, March 27, 1989.

Hon. JOHN HEINZ,
U.S. Senate,
Washington, DC.

DEAR SENATOR HEINZ: American Iron Ore Association thanks you for co-sponsoring the Steel Import Stabilization Extension Act, S. 378. We believe that continuation of the President's Steel Program, including the Voluntary Restraint Arrangement (VRA), is in the best interest of both the United States and Canada.

Our position on this legislation is not to be interpreted as advocating a formal agreement with any particular country, especially Canada. We respect the prerogative of each sovereign government, based on its individual circumstances, to decide whether it should or should not enter into an agreement with the United States.

Member companies of American Iron Ore Association account for 80 percent of the iron ore that is produced in the United States. We operate twelve iron ore pellet plants in this continent. These state-of-the-art plants competitively meet the constantly-tightening standards of steel producers and account for an effective annual capacity of over 68 million tons of iron ore. Due to location of deposits, and the transportation economics, there is a natural flow of this commodity in both directions between the United States and Canada. These factors also account for the fact that eight iron ore plants now operating in Michigan and Minnesota must depend, for their survival, upon ore consumption by U.S. and Canadian steel producers in the Great Lakes area.

There is no doubt that the President's Steel Program has worked effectively to reduce U.S. imports of unfairly-traded steel from offshore countries. Recognizing that excess steelmaking capacity throughout the world is at least 100 million tons, the entire North American steel industry is likely to again become victim to predatory trade practices unless the President's Steel Program is extended. We believe that these practices would be severely harmful to the long-term defense and economic security of North America.

Our industry has just recently become stabilized, with a reasonable balance between supply and demand, after experiencing six years of economic strife, uncertainty, and substantial structural adjustment. With fixed investment amounting to billions of dollars and a necessity to operate our plants at near capacity to remain economically viable, the U.S. Government should not permit countries around the world to unfairly sustain their own steel operations and employment at the expense of American industry and its employees.

We ask you to vote for the Steel Import Stabilization Extension Act, S. 378.

Very truly yours,

GEORGE J. RYAN,
Executive Director.

INDUSTRIAL METALS & MINERALS CO.,
Bridgeville, PA, March 13, 1989.

Subject: Extension of Voluntary Restraint Arrangements.

Hon. H.J. HEINZ III,
U.S. Senator, Federal Building, 1000 Liberty Avenue, Pittsburgh, PA.

DEAR SENATOR HEINZ: Our company is small in terms of the number of employees that we have but the expiration of the Voluntary Restraint Arrangements, on September 30th, 1989, regarding steel imports will have a serious detrimental affect on our business and the future employment of our employees.

We are a supplier of several products to the steel industry which comprise over half of our sales volume. A substantial loss of business by our steel customers, because of an increase in steel imports, will lead to a loss of business by our company, resulting in lay-offs.

Extending the VRA therefore is essential if the domestic steel industry is to complete its modernization projects and ensure its long term international competitiveness.

As you well know, steel is a cyclical industry. During the next and inevitable period of world wide market weakness, foreign producers can be expected to dump their excess capacity in the American market.

In case of an up surge in imports, American producers will have no recourse but to turn to massive and costly trade litigation.

We strongly believe that the VRA extension is critical to the long term sustained recovery of the American steel industry from one of the worst depressions in its history. Most importantly, the United States industry is just beginning its recovery and continued support of the VRA will ensure that its progress continues.

On behalf of our employees, we respectively urge your support for the extension of the steel VRA Program.

Thank you for your cooperation and prompt consideration of this issue. Naturally, we will be watching your efforts concerning the extension of this program and your voting record.

Sincerely,

GEORGE E. GILLESPIE,
Vice President of Steel Sales.

REAGENT CHEMICAL & RESEARCH, INC.,
Middlesex, NJ, March 31, 1989.

Re: Senate bill No. 378.

Hon. JOHN HEINZ,
U.S. Senate, Washington, DC.

DEAR SENATOR: I write on behalf of my company and our 250 employees in support of extension of the steel Voluntary Restraint Arrangements (VRAs). Reagent Chemical is the largest supplier to the Domestic Steel Industry of Hydrochloric Acid, a key raw material in the production of steel. Incorporated in 1959, Reagent Chemical is the second largest privately held Chemical Corporation in New Jersey and maintains offices and terminals throughout the country. Additionally, we own the largest fleet of tractor trailers and railcars dedicated to Hydrochloric Acid in the nation. With the majority of our sales derived form our Domestic Steel Industry, the extension of the steel VRAs are a critical concern.

With VRAs due to expire in September of 1989, we strongly feel that prompt action to extend this program for a five-year period is critical for the domestic steel industry's further restructuring and modernization. We view VRA renewal as the key step by government to ensure that the domestic steel industry's progress in reinvestment, improved productivity and overall efficiency continues uninterrupted.

As you know, the condition of the domestic steel industry sharply deteriorated over many years as a result of growing foreign government intervention in steel industries abroad and resulting massive foreign unfair trade practices. Such practices were pervasive when the VRA program was instituted in 1984 and they continue today. Two clear examples are (1) the enormous foreign government subsidies that have perpetuated structural world excess capacity in steelmaking and (2) the widespread dumping of foreign steel in the U.S. market.

We strongly believe that VRA extension is critical to the long term sustained recovery of the American steel industry from one of the worst depressions in its history. Most importantly, the U.S. steel industry is just beginning its recovery, and continued support of the VRAs will ensure that its progress continues.

As a key investment in America's future, we respectfully urge your support for the extension of the steel VRA program. Thank you for your prompt consideration of this issue.

Sincerely,

THOMAS J. SKEUSE,
President & CEO.

INTERNATIONAL MILL SERVICE, INC.,
Philadelphia, PA, February 23, 1989.

Subject: Steel Industry, Voluntary Restraint Arrangements (VRA's).

Senator JOHN HEINZ,
U.S. Senator, 9456 Federal Building, 600 Arch Street, Philadelphia, PA.

DEAR SENATOR HEINZ: We must extend the VRA Program for an additional five years due to:

1. Trade-distorting conditions world-wide that have not changed much since VRA's were first introduced. Foreign governments continue to subsidize their steel industries and are restricting their steel markets which, in turn, diverts more steel to the U.S. market.

2. Foreign producers continue to dump steel in the U.S., in violation of all trade laws.

3. A five-year extension will give the U.S. time to negotiate, internationally, the unfair practices that have decimated the U.S. steel industry. We cannot lose the negotiating leverage that the VRA's have created at this critical stage.

4. The U.S. industry has improved its international competitiveness through cost reductions of 35% since 1982 and productivity gains (up 40%), but the industry still lags other major steel producing countries in key areas such as product yield and continuous casting rate. Extension of VRA's will give the steel industry the time needed to complete the changes begun during the past five years.

5. If the VRA's are extended, massive capital reinvestment will continue to occur over the next five years, insuring the recovery of the U.S. steel industry. Much depends on this recovery since the steel industry is vital to our national security, our industrial base and infrastructure.

We must all support an extension to the VRA Program and ask you to do so since there is no viable alternative.

Sincerely,

R. DOUGLAS LANE,
Senior Vice President, Steel Mill Services.

NEWCOMER PRODUCTS INC.,
Latrobe, PA, April 4, 1989.

Hon. H. JOHN HEINZ III,
Russell Senate Office Building, Washington, DC.

DEAR MR. HEINZ: Senate Bill SB378, which extends the steel VRA Program is currently being considered.

Please accept this letter as a supporting vote for this legislation.

Newcomer Products of Latrobe, PA is a supplier of tooling to many steelmakers in the U.S., and we recognize the importance of giving our basic industries some protection from foreign competitors.

Although we believe in the principle of Free-Trade, we are convinced that many foreign producers are not burdened with the expense of protecting their environments nor their employees, and therefore enjoy a great cost of advantage. Free-Trade should be fair trade.

Your support for SB378 is deserved by your constituents.

Sincerely,

ROBERT S. JACOBS,
President.

DAK SUPPLY CORP.,
Cleveland, OH, March 15, 1989.

Senator JOHN HEINZ,
9456 Federal Building, Philadelphia, PA.

DEAR SENATOR HEINZ: I write on behalf of our company and our 64 employees in support of extension of the steel Voluntary Restraint Arrangements (VRA's). Our company is situated in America's heartland and is very dependent on the support of a viable and profitable steel industry.

If our domestic steel industry is to remain strong we feel that prompt action is needed to extend the VRA Program for another 5 years. These additional 5 years would allow a continuation of the efficiency steps that already have been implemented. Steps made possible by passage of the original act.

There is presently a worldwide overcapacity in steel production which only serves to encourage foreign government subsidies and the widespread dumping of foreign steel. Action on your part is necessary to stem this tide.

America's steel industry is just now recovering from the worst depression ever in its industry. Continued support of VRA's will insure that this progress will prevail. I ask for your support in continuation for 5 more years in The Voluntary Restraint Arrangements.

Sincerely,

JOSEPH K. DREHER,
President.●

CONGRESSIONAL BUDGET ACT 302(b) ALLOCATION

● Mr. JOHNSTON. Mr. President, section 302(a) of the Congressional Budget Act requires the Senate Budget Committee to allocate total budget authority, total budget outlays, and total credit authority among committees of the Senate. Each of the

committees receiving a 302(a)(2) allocation is, in turn, required by section 302(b) to file its own report showing its respective allocation of those accounts to its own subcommittees. As chairman of the Committee on Energy and Natural Resources, I hereby submit a list of the total budget authority, total outlays, and total credit authority under the jurisdiction of each subcommittee for fiscal year 1990. I ask that the subcommittee allocations for the Committee on Energy and Natural Resources be printed at this point in the RECORD.

The allocations follow:

COMMITTEE ON ENERGY AND NATURAL RESOURCES CONGRESSIONAL BUDGET ACT 302(b) ALLOCATION OF ACCOUNTS, FISCAL YEAR 1990

[In millions of dollars]

Subcommittee	Budget authority	Outlays	Credit
Direct spending:			
Energy Regulation and Conservation	0	0	0
Energy Research and Development	128	128	
Mineral Resources Development and Production	374	373	
Public Lands, National Parks and Forests	193	150	
Water and Power	466	133	
Full committee	208	208	
Total	1,369	992	0
Entitlements funded in appropriations accounts: Full committee	48	48	

Note.—Totals may not add due to rounding.●

A NEW DEMOCRACY IN PAKISTAN

● Mr. HUMPHREY. Mr. President, yesterday I was honored to meet with several members of Pakistan's National Assembly, who are visiting the United States on a USIA-sponsored tour. These freely elected members of Pakistan's Parliament are a testament of the tremendous strides that Pakistan has taken toward full democracy over the past year. Their visit to the Capitol provides an important opportunity to highlight these remarkable political developments.

Last month, Prime Minister Benazir Bhutto delivered an eloquent speech to a joint meeting of the U.S. Congress. She spoke of Pakistan's peaceful transition to full democracy. It is hard not to be awed by the progress of that country. How many times in recent years have we seen friendly governments replaced by hostile ones? How many time have we seen stable governments slip during times of crisis, only to deliver a friendly ally into a period of uncertainty? But in Pakistan, the transition was peaceful. It was democratic. Today, our relations are stronger than perhaps at any other time.

Mr. President, less than 1 year has passed since President Mohammad Zia-Ul Haq was killed in a tragic plane crash that also claimed the lives of Ambassador Arnold Raphel, Gen. Herbert Wassom, and several senior Pakistani military officials. The hours following President Zia's death were a time of great political uncertainty in Pakistan. But in the minds of Acting President Ghulam Ishaq Khan, and the Army Chief Aslam Baig, there was great certainty about the course Pakistan should follow.

These men were determined to oversee a peaceful transition to full democracy in Pakistan, and to ensure that stability was maintained. Within hours of the tragedy in Bahawalpur, Acting President Ishaq Khan announced that the elections scheduled for November 16, 1988, would proceed as scheduled. He emphasized that the Constitution would remain in force. Within a week, General Baig likewise ordered the military to refrain from political activity and expressed his personal support for free elections.

Pakistan's supreme court also played a key role in the transition, by ruling in early October that the scheduled elections should be party-based. The interim government welcomed that decision and granted broad powers to the election commission to ensure that voting was free and fair. On November 16, 1988, the people of Pakistan went to the polls and granted Pakistan People's Party a plurality of seats in the national assembly. The Islamic Democratic Alliance gained the second largest number of seats. It is important to note, that not one person died of election-related violence in Pakistan on November 16, 1988. Three days later, free elections were held for the four Provincial assemblies.

On December 1, 1988, President Ishaq Khan nominated Benazir Bhutto as Prime Minister and invited her to form a government. On December 12, the national assembly gave Mrs. Bhutto's new government a vote of confidence. On the same day, the interim President received an overwhelming vote from the electoral college of Provincial and national assembly members. Pakistan entered a new chapter in its history.

Mr. President, Pakistan's peaceful transition is all the more remarkable when one considers the enormous pressures on that country. On her western border, Pakistan faces a hostile neighbor. Through their client in Kabul, the Soviets have used every opportunity to destabilize Pakistan by sabotage, vicious acts of terrorism, and outright attacks on her territory. Despite the burdens of the war in Afghanistan, Pakistan remains stalwart in her support for the Mujahidin. That support was affirmed by Interim President Ishaq Khan shortly after President Zia's death. Just last month we were heartened by Prime Minister Bhutto's appeal to stay the course.

On her eastern border, Pakistan faces another unfriendly neighbor. India continues to portray our important military assistance to Pakistan as a threat to her own security. In my view, nothing could be further from the truth. Especially considering the overwhelming conventional imbalance in India's favor. One cannot help but wonder about India's interest in developing the Agni missile? Or why India invited President Najibullah to Delhi for a state visit shortly after the Geneva accords were signed. Certainly there are more helpful steps that could be taken to further the legitmate security interests of South Asia. Nonetheless, I am encouraged by the progress of Prime Minister Bhutto, by picking up where President Zia left off, in forging better relations with India.

Mr. President, Pakistan is our most important ally in an extremely troubled region of the world. So I take this opportunity to welcome our distinguished friends to the United States Senate and to pay tribute to Pakistan's political accomplishments of recent months. I hope that their visit to the United States will help to further the bonds of friendship between our two democracies.●

DR. STEPHEN B. KELLEY

● Mr. McCONNELL. Mr. President, every now and then I bring to the attention of my colleagues some of Kentucky's community leaders. Today, I would like to insert into the RECORD an article about a man who recently received the Silver Antelope Award at the Southeast Region Biennial Banquet of the Boy Scouts of America in Asheville, NC.

Dr. Stephen B. Kelley, 53, joined the Boy Scouts of America at the age of 12. His involvement during childhood was important to him because, as the son of a mining engineer, Kelley moved many times before high school, and missed out on some of the lasting friendships that other boys had.

Being a Boy Scout influenced Dr. Kelley's decision to become a doctor because he went through life always feeling a need to help his fellow man. He learned that serving each other is the best thing that we can do. He still devotes time to the Boy Scouts when he is not busy with his family medical practice in Somerset, KY, and is considered a unique and unselfish person in the community.

From 1964 to 1969, Dr. Kelley was Scoutmaster of a Somerset Troop. During an annual gathering of Scouts from all over the globe in Japan in 1969, he was climbing Mount Fuji with a troop of 40 Scouts when a typhoon struck. Out of the nearly 176 people who were killed, not one was a Scout. It was then that Dr. Kelley learned the importance of the Scout motto: "Be prepared." He was Lake Cumberland district chairman from 1979 to 1980, served on the Blue Grass Council

of the Boy Scouts in Lexington from 1981 to 1983, and has been a member of the National Council of the Boy Scouts of America since 1984. He was one of five people to recently receive the Silver Antelope Award for distinguished service on behalf of youth in the region. The only award above this is the Silver Buffalo Award given at the national level.

I hope that all of my colleagues in this body will take note of Dr. Kelley's dedication and join me in congratulating him for this outstanding award.

The article follows:

AT 53, SOMERSET DOCTOR GETS BOY SCOUTS AWARD FOR SERVICE

(By Christopher Lee)

For Dr. Stephen B. Kelley, Scouting is much more than a childhood hobby. It is a way of life.

Kelley, 53, who joined the Boy Scouts of America at age 12, was one of five people to receive the Silver Antelope award at the Southeast Region Biennial Banquet of the Boy Scouts of America in Asheville, N.C., last month.

The award is for distinguished service for the Boy Scouts of America on behalf of youth in the region and is second in prestige only to the Silver Buffalo award, given at the national level.

"I have sat in these meetings for many years . . . never thinking I would get this award," Kelley said at his Somerset office Friday. "I felt that the men who have received the award have been so great in so many ways that I did not put myself in the same category as them."

Kelley reached the rank of Life Scout when he was 17, but turned 18 without making Eagle Scout, the highest rank for a Boy Scout. When a Scout turns 18, he is ineligible to increase his rank.

Kelley was Scoutmaster for Troop 82 in Somerset from 1964 to 1969, and was district chairman for the Lake Cumberland district of the Boy Scouts from 1979 to 1980. From 1981 to 1983 he served on the Blue Grass Council of the Boy Scouts in Lexington, first as commissioner and later as president. Since 1984 he has been a member of the National Council of the Boy Scouts of America.

The son of a mining engineer, Kelley and his family moved frequently during his childhood.

"I had 20 residences before I went to high school," in Clay County, he said. "We just went from coalfield to coalfield."

Because his family moved so often, Kelley could not make lasting friendships. But his involvement in the Boy Scouts helped make up for this, he said.

"Regardless of where I lived, I could always be a Scout," Kelley said. "That was something they could never take away from me."

Kelley called Scouting "the most exciting adventure that a boy can take." Scouts go on camping and canoe trips, do good works and learn valuable skills to get merit badges and advance in rank. They also learn survival techniques.

Scouting "gives you a feeling for life itself," Kelley said. It teaches that "the best thing we can do is serve each other."

Kelley said that being a Boy Scout influenced his decision to become a doctor.

"I don't think a boy could travel through Scouting and not feel a need to help his fellow man," he said.

A scary experience at the 1969 Boy Scout "world jamboree" in Japan—an annual gathering of Scouts from all over the globe—taught Kelley the importance of the Scout motto: "Be prepared." Kelley was climbing Mount Fuji with a troop of 40 Boy Scouts when a typhoon struck. About "176 people were killed," he said, "but not one Scout."

"Experiences like that put Scouting into you for life," he said.

When he is not busy with his family medical practice in Somerset, Kelley devotes "any free time I have" to the Scouts, he said. These days, that usually involves a lot of letter writing and fund raising, he said.

J.W. Graybeel, 51, chairman of the Lake Cumberland district, said that Kelley gave an "inordinate" amount of time to the Scouts.

"It's amazing the amount of time that the man gives when most of the professional people say they don't have time," said Graybeel, who has known Kelley since Kelley moved to Somerset in 1963.

Clay Davis, 48, President of Citizens Fidelity Bank in Somerset, said Kelley was regarded as one of the "top people" in the community.

"He is perceived in the community as unique and unselfish," said Davis, a friend of Kelley for more than 16 years.

Kelley said he would continue to work with the Boy Scouts as long as I'm a help.

"It's a lifetime commitment. Scouting is not just a part of life; it is a way of life."●

ENHANCED RESCISSION AUTHORITY

● Mr. HUMPHREY. Mr. President, on January 25, 1989, I introduced legislation which would provide for expedited consideration of Presidential rescission requests. It simply requires Congress to go on record as either approving or disapproving—by a simple majority vote—rescissions when they are requested.

I have supported line item veto legislation for many years, but am convinced that enhanced rescission stands the best chance for enactment. My approach does not advocate granting the President any new or increased powers, but would require Congress to consider and vote on rescissions when they are proposed.

I was interested to read former President Gerald Ford's comments in the Washington Post on June 8, 1989, regarding a line item veto. When asked about a constitutional amendment to give the President a line item veto on appropriation bills, President Ford said he favors it but thinks it "never will be done—never," and that it would be "much more practical" to restore the President's power to impound funds. I completely agree with him.

I would like to share with my colleagues President Ford's comments regarding budget reform in a letter I recently received from him. I ask unanimous consent that following my remarks President Ford's letter be inserted in the RECORD.

I commend all my colleagues who have sponsored or cosponsored enhanced rescission legislation. I urge other Senators to support these efforts.

The letter follows:

JULY 3, 1989.

Hon. GORDON J. HUMPHREY,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR HUMPHREY: Congratulations on your sponsorship of S. Con. Res. 9, which is a constructive proposal to improve the budget process.

Although I favor the repeal of the impoundment limitations in the Budget Reform Act of 1974, I recognize this approach is not feasible in the Congress today. Your proposal, if enacted, would be a significant improvement and potentially save huge tax dollars. Good luck.

A constitutional amendment for a "line item veto" by the President is not a realistic approach.

Warmest, best wishes,

GERALD R. FORD.●

VERIFYING SOVIET COMPLIANCE WITH ARMS CONTROL TREATIES

● Mr. DOMENICI. Mr. President, I rise in support of an important bill that my colleague and friend, Senator JEFF BINGAMAN, has introduced today and which he plans to offer as an amendment to the fiscal year 1990 Department of Defense authorization bill. That bill is intended to authorize the Assistant Secretary of Energy for Defense Programs to conduct research and development activities related to verifying Soviet compliance with arms control treaties.

This is an important and timely bill. My colleague from New Mexico well understands the necessity of confirming compliance with the arms control treaties we negotiate with the Soviet Union. Without adequate verification policies and technologies, those treaties are an invitation to violation. Without the means for verifying compliance, the treaties that are debated and ratified by the United States, may have the effect of undermining rather than supplementing our national security.

The following statement, which I believe is worth quoting in its entirety, sums up the problem we face today with arms control verification and compliance. I quote,

> The current debate on arms control and disarmament puts great stress on the problem of how to detect violations of whatever agreements may be reached. To this end inspection schemes and instruments for detection are developed, their capabilities and limitations discussed, and efforts made to test and improve them. Indeed, the technical question of detection dominates the domestic debate but also the international disarmament negotiations.

Students of arms control policy may recognize this succinct statement as the opening paragraph of Dr. Fred

Ikle's 1961 Foreign Affairs article on verification and compliance, entitled "After Detection—What?" In this timely treatise, Dr. Ikle examines some of the historical problems of arms control and addresses some of the same issues that my colleague from New Mexico hopes to focus our attention on with his bill.

In addition to discussing the challenges of verification of arms control treaty compliance or violation, Ikle also examines the necessary but so often overlooked issue of compliance policy—what should a partner to a violated treaty do in order to dissuade further violations and encourage continued compliance? Senator BINGAMAN's bill will, I believe, encourage the Department of Energy to utilize our national labs for the vital purpose of creating new means for detecting violation and compliance. What we as signatory to these treaties do with this technology to enforce compliance will be the greatest challenge and the most crucial role of the entire arms control process.

But before we are faced with the prospect of possible violation—and I believe I am being a pragmatist and not a pessimist when I say we must anticipate the possibility of Soviet noncompliance—we must be willing to research, develop, and deploy the means for ensuring continued compliance to all our arms control treaties. This bill will encourage such research and help create an atmosphere in which verification and compliance issues will be treated not as "the last refuge of scoundrels" but as the vital instrument for determining the value of our arms control treaties.

I applaud my colleague for introducing this bill and for encouraging the more extensive use of the vast talents of our national laboratories. I urge my colleagues to endorse this bill and to support the amendment when it is introduced to the Department of Defense authorization bill.●

WHAT IS AMERICA?

● Mr. SIMON. Mr. President, Anthony Lewis had a column recently in the New York Times entitled, "What Is America?"

We are in the midst of hysteria that calls for a constitutional amendment to prohibit burning the flag.

I am as proud of the flag as anyone. I served in the U.S. Armed Forces overseas, and I am proud to have done so.

The Anthony Lewis column gives us a sense of balance in this whole thing.

I urge my colleagues to read his column, which I am asking to have printed in the RECORD at this point.

The article follows:

[From the New York Times, June 29, 1989]

WHAT IS AMERICA?

(By Anthony Lewis)

"If there be any among us who would wish to dissolve this Union or to change its republican form, let them stand undisturbed as monuments of the safety with which error of opinion may be tolerated where reason is left free to combat it."—Jefferson, first Inaugural Address.

WASHINGTON.—Early Tuesday morning radio and television reported that President Bush would hold a press conference to talk about an urgent issue. One waited to see what had moved the President. Would he express outrage at the totalitarian brutalities in China? Would he call for action on the crisis of homelessness and disease afflicting our cities?

"Flag-burning is wrong," the President said as he opened the press conference. The most urgent issue facing the country, he evidently felt—the one demanding Presidential leadership—was the Supreme Court decision reversing the conviction of a political protester who burned the American flag.

There will naturally be conflict about the flag case. The Court itself divided 5 to 4, and the opinions on both sides recognized the emotional significance of the flag to Americans.

But one thing seems tolerably clear. No urgent menace arises from the decision. It does not threaten any immediate national interests, at home or abroad. It does not threaten American patriotism. Important principles are involved, but that particular facts of the case were unusual and are hardly likely to arise on a threatening scale.

At the time of the Republican Convention in Dallas in 1984, Gregory Lee Johnson burned a flag as part of a street demonstration against Government policy. He was one of the far-out characters who turn up around our political conventions and make their often nasty speeches to audiences of few or none.

Because the flag-burning was part of a political denunciation, the Court found that it was "speech" protected by the First Amendment. Many kinds of expressive conduct, such as marching, have been held to come under the amendment's guarantee of free expression.

"Nobody can suppose," Justice Brennan wrote in the opinion of the Court, "that this one gesture of an unknown man will change our Nation's attitude towards its flag."

Can President Bush believe otherwise? Does he really think American patriotism is so frail that it will be shattered by this decision?

Politics could have something to do with the President's stance. His campaign manager last year, James Baker, showed how effectively one could smear an opponent with irrelevant jingoism about the Pledge of Allegiance to the flag. Attacking the flag case also pleases Mr. Bush's troubled supporters on the right.

Congressional reaction to the flag case certainly reeks of politics. There has been a Gadarene rush to denounce the decision. Democrats, remembering 1988, do not want to be outdone in calling for correction by legislation or constitutional amendment.

A conservative Republican, Senator Gordon Humphrey of New Hampshire, has been one of the few to say out loud what many must have been thinking privately. The fuss over the flag he said was "an exercise in silliness . . . a bit of hypocrisy." He is retiring from the Senate next year.

But in calling for a constitutional amendment, President Bush was no doubt reflecting not only politics but real personal upset at the decision. If so I wonder whether he read through the Court's opinion.

"The flag's deservedly cherished place in our community," the majority said, may be "strengthened, not weakened, by our holding today. Our decision is a reaffirmation of the principles of freedom and inclusiveness that the flag best reflects, and of the conviction that our toleration of criticism such as Johnson's is a sign and source of our own strength."

Justices Brennan, Marshall and Blackmum were joined in the majority by two Reagan appointees, Justices Scalia and Kennedy. In truth, the idea of free speech is neither "liberal" nor "conservative." It is, rather, American. We have hardly lived it up consistently to the promise of the First Amendment. But it is a profoundly important part of what the world sees as the distinctively American vision of a free and self-confident society.

A Chinese diplomat was talking with an old American friend the other day about the terrible events in China. What influence, the American asked, could President Bush have on the situation? The diplomat replied: "It's not President Bush who has influence; it's President Jefferson."●

FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEAR 1990

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed with the immediate consideration of Calendar Order No. 117, S. 1160, the State Department authorization bill.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1160) to authorize appropriations for fiscal year 1990 for the Department of State, the United States Information Agency, the Board for International Broadcasting, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Maine?

There being no objection, the Senate proceeded to consider the bill.

CORRECTING THE REFERRAL OF A NOMINATION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be discharged of the nomination of Wade F. Horn to be Chief of the Children's Bureau, Department of Health and Human Services, and that the nomination be correctly referred to the Committee on Finance.

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

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the

29-059 O-90-44 (Pt. 10)

Senate proceed to executive session to consider the following nominations: Executive Calendar Nos. 223, 224, 225, and Francis A. Keating II, to be general counsel of the Department of Housing and Urban Development, reported today by the Committee on Banking, Housing, and Urban Affairs.

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

Mr. MITCHELL. I further ask unanimous consent that the nominees be confirmed en bloc, that any statements appear in the RECORD as if read, that the motions to reconsider be laid upon the table en bloc, that the President be immediately 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 EDUCATION

Robert Refugio Davila, of the District of Columbia, to be Assistant Secretary for Special Education and Rehabilitative Services, Department of Education.

Nell Carney, of Virginia, to be Commissioner of the Rehabilitation Services Administration.

Charles E. M. Kolb, of Virginia, to be Deputy Under Secretary for Planning, Budget and Evaluation, Department of Education.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Francis Anthony Keating II, of Oklahoma, to be general counsel of the Department of Housing and Urban Development, vice J. Michael Dorsey, resigned.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

COMPUTER MATCHING AND PRIVACY ACT

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Order No. 153, H.R. 2848, the Computer Matching and Privacy Act.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2848) to amend the Computer Matching and Privacy Protection Act of 1988 to delay the effective date of the act for existing agency matching programs.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Maine?

There being no objection, the Senate proceeded to consider the bill.

Mr. COHEN. Mr. President, the bill we are considering today provides a very limited delay in the effective date of the Computer Matching and Privacy Protection Act of 1988. This bill was passed without objection by the House of Representatives and is supported by the administration.

As my colleagues will recall, the Computer Matching and Privacy Protection Act was passed by the Congress last year to place controls and procedural safeguards on the use of information transferred between Federal agencies of Federal and State agencies in computer matching programs. We have witnessed an explosion in the use of computer matching programs over the past decade, especially to check the eligibility of applicants and recipients to receive Federal benefits and to recover debts owed to the Federal Government. While computer matching can be a very useful tool to aid the Government in determining eligibility for and to detect fraud or waste in Government programs, the uncontrolled use of computer matching can pose serious privacy, confidentiality and due process concerns. The Computer Matching and Privacy Protection Act will, when fully implemented, go far in providing procedural safeguards on the use of information matched in these programs.

Over the past few months, the Office of Management and Budget, many Federal agencies, and many State agencies have been diligently preparing to comply with the requirements of this new law. We have learned, however, that many agencies and States will have problems meeting the July 19 effective date as contained in the law. Agencies are experiencing particular delays in having the data integrity boards, that must review and approve matching programs subject to the law, fully operational by the effective date, and State and Federal agencies need more time to negotiate the matching agreements required by the law.

In order to assist agencies with these problems, this bill would delay the effective date of the law for existing matching programs until January 1, 1990. Specifically, matching programs in operation prior to June 1, 1989, would qualify for the delay in the effective date. The bill also requires all Federal agencies to submit a report to the Senate Governmental Affairs Committee, the House Committee on Government Operations, and the Office of Management and Budget identifying the matching programs that are subject to this delayed effective date. This report must also contain a schedule showing the dates on which the agencies expect to be in compliance with the requirements of the Computer Matching Act. These reports will then be compiled by the Office of Management and Budget and published in the Federal Register.

Mr. President, this delay is necessary to ensure that ongoing matches, many of which are done routinely by agencies to determine eligibility for Federal benefits, do not have to halt simply because agencies have not had enough time to comply with the new law. The change in the administration and the need for agencies and States to become familiar with the new law's requirements have slowed compliance with the act. I hope that this delay will provide enough time for agencies to comply in good faith, while ensuring that the important due process and procedural safeguards contained in this new law are implemented as soon as possible.

Mr. LEVIN. Mr. President, the bill before us would provide 6 more months for the full implementation of the Computer Matching and Privacy Protection Act of 1988. This additional period of time would provide the Federal Government and numerous State agencies the time they need to meet the requirements of the statute for ongoing computer matches. We have received numerous requests and statements of concern from State agencies and the Department of Health and Human Service which participate in computer matching for purposes of program integrity. The administration has made a specific request for this legislation, and the House has already passed it without objection.

The evidence indicates that Federal and State agencies are diligently working to implement the new law, so this is not a case where covered agencies are resisting compliance or simply dragging their feet. This is a case where, despite reasonable diligence, agencies are encountering implementation delays on such matters as, for example, establishing their data integrity boards and negotiating the terms of their matching agreements. In light of these good faith efforts at compliance and practical startup difficulties, this bill provides a limited extension of the effective date of the statute for ongoing matches. In contrast to these ongoing matches, all new computer matches will be required to meet the law's original effective date, July 19, 1989.

I support the immediate passage of this bill and, again, commend the principal sponsor of the Computer Matching and Privacy Protection Act, Senator COHEN, for his excellent work on and commitment to this subject.

The PRESIDING OFFICER. Without objection, the bill is deemed read a third time and passed.

So the bill (H.R. 2848) was passed.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the bill was passed.

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

The motion to lay on the table was agreed to.

ORDER TO INDEFINITELY POSTPONE CERTAIN ITEMS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the fol-

lowing calendar items be idefinitely postponed:

Calendar No 56: S. 104, authorizing the documentation for vessel *Liberty*;

Calendar No 58: S. 475, authorizing the documentation for a vessel;

Calendar No 59: S. 572, authorizing the documentation for the vessel *Navatek I*; and

Calendar No 60: S. 638, authorizing the documentation for the vessel *Nor'-Wester*.

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

JUDICIARY COMMITTEE DISCHARGED FROM FURTHER CONSIDERATION OF CERTAIN ITEMS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of the following: Senate Joint Resolution 129, Senate Joint Resolution 132, Senate Joint Resolution 174, and House Joint Resolution 174, and that the Senate proceed to their immediate consideration en bloc; that they be read a third time and passed and that the motion to reconsider the votes by which they were passed be laid on the table en bloc and that their preambles, where appropriate, be agreed to en bloc.

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

NATIONAL POW/MIA RECOGNITION DAY

The joint resolution (S.J. Res. 129) to provide for the designation of September 15, 1989, as "National POW/MIA Recognition Day" was considered, ordered to a third reading, and read the third time, and passed.

The preamble was agreed to.

The joint resolution (S.J. Res. 129), with its preamble, reads as follows:

S.J. RES. 129

Whereas the United States has fought in many wars;

Whereas thousands of Americans who served in those wars were captured by the enemy or listed as missing in action;

Whereas many American prisoners of war were subjected to brutal and inhuman treatment by their enemy captors in violation of international codes and customs for the treatment of prisoners of war, and many such prisoners of war died from such treatment;

Whereas many of these Americans are still missing and unaccounted for, and the uncertainty surrounding their fates has caused their families to suffer acute hardship; and

Whereas the sacrifices of Americans still missing and unaccounted for and their families are deserving of national recognition and support for continued priority efforts to determine the fate of those missing Americans: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That September 15, 1989, is hereby designated as "National POW/MIA Recognition Day". The President is authorized and requested to issue a proclamation calling upon the people of the United States to recognize that day with appropriate ceremonies and activities.

NATIONAL ALCOHOL AND DRUG TREATMENT MONTH

The joint resolution (S.J. Res. 132) designating September 1 through 30, 1989, as "National Alcohol and Drug Treatment Month" was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution (S.J. Res. 132), with its preamble, reads as follows:

S.J. RES. 132

Whereas alcohol and other drug abuse and dependence are major public health problems that are preventable and treatable;

Whereas the economic costs to society of alcohol and drug abuse in 1983 alone were over $176,000,000,000;

Whereas alcohol and drug abuse treatment provides an effective means toward independence from substance dependence and is a necessary element in solving the problems associated with alcohol and other drug abuse;

Whereas more than one-third of the families of the Nation are affected by alcoholism and an estimated 10,000,000 Americans are problem drinkers or alcoholics;

Whereas alcohol abuse during pregnancy is one of the leading causes in the Nation of mental retardation in infants and is the only preventable cause;

Whereas over 70 percent of the pediatric acquired immunodeficiency syndrome cases are related to intravenous drug use by one or both parents of the infant;

Whereas drug abuse treatment is an effective way of preventing the spread of AIDS among intravenous drug abusers;

Whereas alcoholism and drug dependence are illnesses requiring prevention, treatment, and rehabilitation through the assistance and cooperation of a broad range of Federal, State, and local health, law enforcement, and social service agencies, families, employers, employees, and organizations concerned about alcohol and other drug abuse; and

Whereas despite our national policy goal of making treatment available to all who request it, the existence of waiting lists highlights the need to increase the availability and quality of alcohol and other drug treatment services: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That September 1 through 30, 1989 is designated "National Alcohol and Drug Treatment Month", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that month with appropriate ceremonies and activities.

SPACE EXPLORATION DAY

The joint resolution (S.J. Res. 174) to designate July 20, 1989, as "Space Exploration Day" was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution (S.J. Res. 174), with its preamble, reads as follows:

S.J. RES. 174

Whereas twenty years ago, on July 20, 1969, people of the world were brought closer by the first manned exploration of the Moon;

Whereas a purpose of the United States space program is the peaceful exploration of space for the benefit of all mankind;

Whereas the United States space program has provided scientific and technological benefits affecting many areas of concern to mankind;

Whereas the United States space program, through Project Apollo, Viking and Voyager missions to the planets, the space shuttle, and other space efforts, has provided the Nation with scientific and technological leadership in space;

Whereas the National Aeronautics and Space Administration, the United States aerospace industry, and educational institutions throughout the Nation contribute research and development to the United States space program, and to the strength of the economy of the Nation;

Whereas the space program reflects technological skill of the highest order and the best in the American character—sacrifice, ingenuity, and the unrelenting spirit of adventure;

Whereas the spirit that put man on the Moon may be applied to all noble pursuits involving peace, brotherhood, courage, unity of the human spirit, and the exploration of new frontiers; and

Whereas the human race will continue to explore space for the benefit of future generations: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That July 20, 1989, is designated as "Space Exploration Day". The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the day with appropriate programs, ceremonies, and activities.

DECADE OF THE BRAIN

The joint resolution (H.J. Res. 174) to designate the decade beginning January 1, 1990, as the "Decade of the Brain" was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

ORDER TO INDEFINITELY POSTPONE SENATE JOINT RESOLUTION 173

Mr. MITCHELL. Mr. President, I further ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of Senate Joint Resolution 173, and that it be indefinitely postponed.

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

RATIFYING CERTAIN AGREEMENTS RELATING TO THE VIENNA CONVENTION ON DIPLOMATIC RELATIONS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 2214, which ratifies certain agreements relating to the Vienna Convention, just received from the House of Representatives.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 2214) to ratify certain agreements relating to the Vienna Convention on diplomatic relations.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSTON. Mr. President, I would like to thank my colleagues on the Committee on Foreign Relations, Senators PELL and HELMS, for their sympathetic review of H.R. 2214. This legislation approves agreements providing for full diplomatic relations between the United States and the Republic of the Marshall Islands, and between the United States and the Federated States of Micronesia. This action is long overdue and would make our diplomatic relations with these nations consistent with U.S. policy in Micronesia.

In March of 1988, the U.S. Government and the governments of the Republic of the Marshall Islands [RMI] and the Federated States of Micronesia [FSM] concluded agreements to provide that our diplomatic relations be conducted as are relations between other nations in the international community. This legislation approves those agreements.

I support this legislation, and full diplomatic relations with the RMI and FSM because it is to the mutual benefit of our nations. Since the implementation of the Compacts of Free Association in 1986, the RMI and FSM have gained diplomatic recognition within the international community, and they have established full diplomatic relations with many countries throughout the world. Enactment of H.R. 2214 will add the United States to that list of nations which fully recognize the FSM and RMI as members in the international community. This is a clear benefit to the FSM and RMI.

The United States benefits from this legislation because it resolves an inconsistency in U.S. policy in the Pacific. U.S. policy in Micronesia is based on the fact that the U.N. Trusteeship has been terminated with respect to the FSM and the RMI, and that diplomatic relations are to be conducted with the new nations of the FSM and RMI through the State Department on a full government-to-government basis. Unfortunately, relations have so far been conducted through diplomatic "Representatives" instead of Ambassadors. This use of Representatives has created confusion in the minds of third nations as to the true nature of the relationship between the United States and FSM and RMI. H.R. 2214 will have the effect of upgrading these Representatives to Ambassadors, and thus eliminate the source of confusion. This action will promote the recognition of the FSM and RMI in the international community.

I would like to acknowledge the efforts of the House Committee on Foreign Affairs, and specifically the contributions on the bill of Congressmen SOLARZ, LAGOMARSINO, and the Delegate from Guam, Mr. BLAZ. Their support and effort on this legislation is an important contribution toward the final step in the emergence of the people of Micronesia from the outdated, and some say neocolonial, relationship established pursuant to the trusteeship agreement. It is because of the nature of that relationship that I am a bit surprised by the attitude of other Members of the House to this legislation. Some Members appear to be interested in perpetuating this paternalistic relationship of the past, and resisting the movement toward self-government for the peoples of Micronesia.

The reasons given for this foot dragging are revisionist. It is argued that the use of Representatives instead of Ambassadors was part of the compromise included in the Compact of Free Association Act on the respective roles of the Department of State and the Department of Interior in U.S. relations with the FSM and RMI. This is not so. These two issues had nothing to do with one another. In fact, the compact language on the use of Representatives long preceded any debate on the respective roles of the Department of State and Interior under the compact. These two issues were distinct, and never linked. Efforts to link these events appear to be driven by a desire to find a plausible rationale for opposing full diplomatic relations with the Freely Associated States. However, there are no valid reasons for giving the FSM and RMI second class treatment, as some have argued.

The people and governments of the FSM and RMI have struggled long and hard to achieve the dignity of full sovereignty and international recognition. Strong and friendly relations between the United States, and the FSM and RMI depend on our recognition of their achievements, and our affirmation of their dignity. To belittle these facts, or seek to undermine the reality of our new relationship with these young nations, can only cause resentment and weaken the foundations of that relationship.

I sincerely hope that all members of the U.S. Government will pull together in their commitment to make free association a success. The compact is a vast improvement over the trusteeship, and it has the broad support of the people of the FSM and RMI. The compact has my full support—as does the United States policy that the trusteeship agreement is terminated with respect to the Republic of the Marshall Islands and the Federated States of Micronesia. This policy is a fact, not a debating point. Presidential Proclamation No. 5564 states:

> * * * the Trusteeship Agreement for the Pacific Islands is no longer in effect as of October 21, 1986, with respect to the Republic of the Marshall Islands, as of November 3, 1986, with respect to the Federated States of Micronesia, and as of November 3, 1986, with respect to the Northern Mariana Islands.

Our policy in Micronesia is working, and it is mutually beneficial. The only benefit of arguing for some nebulous policy based on the flawed notion of continued trusteeship is for those who seek to continue a failed policy, and who wish to maintain their traditional role in that policy.

The compact, and trusteeship termination, represents a progressive policy which enjoys nearly unanimous support in the United States and Freely Associated States. Our policy deserves full support.

Mr. President, in conclusion I would like to congratulate Mr. Jesse Marehalau and Mr. Wilfred Kendall on their soon-to-be, new status as ambassadors. They have waited a long time for this bill to pass. With their hard work, and a lot of patience, the obstacle to enactment has been overcome.

Mr. McCLURE. Mr. President, I fully support the enactment of H.R. 2214, which would make our diplomatic relations with the Free Associated States consistent with normal relations pursuant to the Vienna Convention. I fully agree with the remarks of Senators JOHNSTON and I would especially like to express my appreciation to Congressman LAGOMARSINO and the members of the House Foreign Affairs Committee who managed to send this measure to the Senate unencumbered with irrelevant and gratuitous provisions. Unfortunately, they were unable to have the measure considered by the House without irrelevant and gratuitous remarks by some who still seem unwilling to release the reins of empire.

Senator JOHNSTON refers to the history as revisionist. I would prefer to think of it as fantasy. It reminds one of the opening of "The Last Emperor" in which the last Emperor of China lives in his palace while the world passes him by. There was no nexus at any time between the responsibilities of the State and Interior Departments and the status of the U.S. representative. Senator JOHNSTON, Senator JACKSON, and I participated in reviews of the negotiations over 15 years. Fabri-

cation of history may be an interesting pasttime, but it does not alter reality. Approval of this measure also has absolutely nothing to do with the continued intransigence of some to proceed on Palau, nor does it alter in any fashion the agreements on the compacts which are now fully in force for the Marshalls and the Federated States.

I am particularly disturbed by comments that the trusteeship has not terminated for the Marshalls and the Federated States. Perhaps that curious view provides solace to those who would pretend to be the last great white raj, a successor to the British Viceroys in India. There comes however a time to emerge from the colonial closet and treat peoples as equals and respect them for their commitments to self government. Perhaps the strains of Kipling still reverberate:

Ye dare not stoop to less—
Nor call to loud on Freedom
To cloak your weariness;

It really is time to stop the foolishness. Creating mischief, promoting litigation as some form of malingering disease, sowing confusion solely to embarass the leadershp of foreign countries, simply is irresponsible. I wonder whether those who take such delight in attempting to destroy the relationship with Micronesia plan on sowing the same seeds of discord on Puerto Rico. Will we be faced with similar fantasies on whether the present relationship is colonial under international law? Will we see the same lack of respect for elected leadership? I hope not, and perhaps the Governor of Puerto Rico will not have the same patience as the Micronesian leadership has had.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the bill.

The bill (H.R. 2214) was ordered to a third reading, was read the third time, and passed.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the bill was passed.

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

The motion to lay on the table was agreed to.

ORDERS FOR FRIDAY

RECESS UNTIL 9:15 A.M.

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 9:15 a.m., Friday, July 14, 1989.

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

ORDER FOR MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that following the time for the two leaders there be a period for morning business not to extend beyond 9:45 a.m. with Senators permitted to speak for up to 5 minutes each.

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

RESUME CONSIDERATION OF THE STATE DEPARTMENT AUTHORIZATION BILL

Mr. MITCHELL. Mr. President, I ask unanimous consent that at 9:45 a.m. the Senate resume consideration of S. 1160, the State Department authorization bill.

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

RECESS UNTIL 9:15 A.M. TOMORROW

Mr. MITCHELL. Mr. President, if the distinguished Republican leader has no further business, and if no Senator is seeking recognition, I now ask unanimous consent that the Senate stand in recess under the previous order until 9:15 a.m., Friday, July 14, 1989.

There being no objection, the Senate, at 7:09 p.m., recessed until Friday, July 14, 1989, at 9:15 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 13, 1989:

DEPARTMENT OF EDUCATION

ROBERT REFUGIO DAVILA, OF THE DISTRICT OF COLUMBIA, TO BE ASSISTANT SECRETARY FOR SPECIAL EDUCATION AND REHABILITATIVE SERVICES, DEPARTMENT OF EDUCATION.

DEPARTMENT OF EDUCATION

NELL CARNEY, OF VIRGINIA, TO BE COMMISSIONER OF THE REHABILITATION SERVICES ADMINISTRATION.

CHARLES E.M. KOLB, OF VIRGINIA, TO BE DEPUTY UNDER SECRETARY FOR PLANNING, BUDGET AND EVALUATION, DEPARTMENT OF EDUCATION.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

FRANCIS ANTHONY KEATING II, OF OKLAHOMA, TO BE GENERAL COUNSEL OF THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

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.

HOUSE OF REPRESENTATIVES—*Thursday, July 13, 1989*

The House met at 10 a.m.

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

Teach us, O God, to express the pride we have in all that is good and noble, to appreciate the marvelous gifts of country, of heritage, of family and tradition. Even as we give thanks for our history, remind us of the danger of false pride when we make our experience so full of value that we do not see the virtues of other people and other traditions. As You have created each person in Your image, may we so live our lives with grateful pride in the bounties of our experience, that conscious of Your blessings to all, we begin each new day with earnest prayers of thanksgiving and praise. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mrs. BENTLEY. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

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

Mrs. BENTLEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 302, nays 100, not voting 29, as follows:

[Roll No. 136]

YEAS—302

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Archer
Aspin
Atkins
Barnard
Bartlett
Bateman
Bates
Beilenson
Bennett
Bereuter
Berman
Bevill
Bilbray
Boggs
Bonior
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Browder
Brown (CA)
Bruce
Bustamante
Byron
Callahan
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Clarke
Clement
Clinger
Coleman (MO)
Coleman (TX)
Combest
Conte
Cooper
Costello
Coyne
Crockett
Darden
Davis
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dixon
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Emerson
Engel
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Ford (MI)
Ford (TN)
Frank
Frost
Gallo
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Gordon
Gradison
Grant
Gray
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Henry
Hertel
Hoagland
Hochbrueckner
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Laughlin
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Livingston
Lloyd
Long
Lowey (NY)
Luken, Thomas
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCrery
McCurdy
McDade
McDermott
McEwen
McHugh
McMillen (MD)
McNulty
Meyers
Michel
Miller (CA)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nelson
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (UT)
Oxley
Packard
Pallone
Panetta
Parker
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Rangel
Ray
Regula
Richardson
Ritter
Robinson
Roe
Rohrabacher
Rose
Rostenkowski
Rowland (CT)
Rowland (GA)
Roybal
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Saiki
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Sarpalius
Sawyer
Saxton
Scheuer
Schiff
Schulze
Schumer
Sharp
Shaw
Shumway
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (VT)
Snowe
Solarz
Spence
Spratt
Staggers
Stallings
Stark
Stearns
Stenholm
Stokes
Studds
Swift
Synar
Tallon
Tanner
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Unsoeld
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Walsh
Watkins
Waxman
Weiss
Weldon
Whitten
Williams
Wilson
Wolpe
Wyden
Wylie
Yates
Yatron

NAYS—100

Armey
Baker
Ballenger
Barton
Bentley
Bilirakis
Bliley
Boehlert
Brown (CO)
Buechner
Bunning
Burton
Chandler
Clay
Coble
Coughlin
Cox
Craig
Crane
Dannemeyer
DeWine
Dickinson
Dornan (CA)
Douglas
Dreier
Duncan
Fawell
Fields
Gallegly
Gekas
Goodling
Goss
Grandy
Hancock
Hansen
Hastert
Hefley
Herger
Hiler
Holloway
Hopkins
Hunter
Inhofe
Ireland
Jacobs
James
Kolbe
Kyl
Lagomarsino
Lewis (CA)
Lewis (FL)
Lightfoot
Lowery (CA)
Lukens, Donald
Madigan
Marlenee
Martin (IL)
McCandless
McCollum
McMillan (NC)
Miller (OH)
Molinari
Moorhead
Nielson
Pashayan
Paxon
Rhodes
Ridge
Roberts
Rogers
Roth
Roukema
Schaefer
Schroeder
Schuette
Sensenbrenner
Shays
Sikorski
Slaughter (VA)
Smith (MS)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Stangeland
Stump
Sundquist
Tauke
Thomas (CA)
Thomas (WY)
Upton
Vucanovich
Walker
Weber
Wheat
Whittaker
Wolf
Young (AK)
Young (FL)

NOT VOTING—29

Applegate
AuCoin
Bryant
Chapman
Collins
Conyers
Courter
DeLay
Dingell
Edwards (CA)
Edwards (OK)
English
Frenzel
Hyde
Kastenmeier
Leach (IA)
Machtley
McCloskey
McGrath
Mfume
Murphy
Nowak
Owens (NY)
Parris
Ravenel
Rinaldo
Savage
Schneider
Wise

□ 1021

So the Journal was approved.

The result of the vote was announced as above recorded.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from New York [Mr. McNULTY] please come forward and lead the House in the Pledge of Allegiance?

Mr. McNULTY led the Pledge of Allegiance as follows:

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

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 1426. An act to amend the Public Health Service Act to make technical corrections relating to subtitles A and G of title II of the Anti-Drug Abuse Act of 1988, and for other purposes.

The message also announced that the Senate recedes from its amendments numbered 1, 2, 3, 4, and 5, to the above-entitled bill.

The message also announced that the Senate recedes from its amendment numbered 8 to the bill (H.R. 1426) entitled "An act to amend the Public Health Service Act to make technical corrections relating to subtitles A and G of title II of the Anti-Drug Abuse Act of 1988, and for other purposes," with an amendment.

The message also announced that pursuant to Public Law 100-494, the Chair on behalf of the Republican leader, announces the appointment of Mr. GRASSLEY to the U.S. Alternative Fuels Council.

The message also announced that pursuant to Public Law 100-304, as amended by Public Law 99-7, the Chair on behalf of the Vice President, appoints Mr. D'AMATO, Mr. HEINZ, Mr. MCCLURE, and Mr. WALLOP, to the Commission on Security and Cooperation in Europe.

PERMISSION FOR SUBCOMMITTEE ON GENERAL OVERSIGHT AND INVESTIGATIONS OF COMMITTEE ON INTERIOR AND INSULAR AFFAIRS TO SIT TODAY DURING THE 5-MINUTE RULE

Mr. KOSTMAYER. Mr. Speaker, I ask unanimous consent that the Subcommittee on General Oversight and Investigations of the Committee on Interior and Insular Affairs be permitted to sit on Thursday, July 13, 1989, while the House is meeting under the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

INTRODUCTION OF THE "GODDESS OF DEMOCRACY" BILL

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

Mr. McNULTY. Mr. Speaker, I am pleased to join with my distinguished colleague from Missouri, Mr. BILL EMERSON, in introducing a bill to commemorate the struggle for democracy in China.

Last June, prodemocracy students in the People's Republic of China erected a beacon of hope in Tiananmen Square. They called it the Goddess of Democracy. Then, their government destroyed that symbol and massacred many of the protesting students.

We must not let that symbol die. The McNulty-Emerson bill calls for the creation of a replica of the goddess of democracy—privately financed—to be kept in the United States until prodemocracy forces in China prevail. Then it will be given to the people of China as a gift of the American people.

I urge all my colleagues to support this bipartisan effort, as a tribute to the spirit and the courage of the people of China who yearn for freedom and democracy.

LET SENIOR CITIZENS AND VETERANS HELP WITH THE 1990 CENSUS

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

Mrs. MARTIN of Illinois. Mr. Speaker, like many of my colleagues, I am a cosponsor of H.R. 1860, which would improve the Census Bureau's ability to recruit and retain qualified personnel during the 1990 Census. H.R. 1860, which was introduced by our colleague TOM SAWYER, chairman of the Subcommittee on Census and Population, will help to address the Census Bureau's task of recruiting at least 1.6 million temporary employees by exempting Federal annuitants and retired military officers that work on the 1990 census from offsets in pay and other benefits they currently receive.

Although I like the rationale behind H.R. 1860, I feel that it does not go far enough. As you can image, there are many Social Security recipients and veterans who would probably like to help the Census Bureau during the 1990 census. Yesterday, to address this issue, I introduced two pieces of legislation.

Both bills would exclude from the earnings cap income earned through employment by the Census Bureau during the 1990 census. The first, H.R. 2856, would exclude this income when determining annual income for purposes of programs administered by the Department of Veterans Affairs. The second, H.R. 2857, would exclude this income when determining excess earnings under title II of the Social Security Act.

I would like to invite my colleagues in the House to join me in helping our senior citizens and veterans to become an integral part of the 1990 census.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1068

Mr. QUILLEN. Mr. Speaker, I ask unanimous consent to remove my name as a cosponsor of H.R. 1068, the U.S. Coinage Reform Act of 1989.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

□ 1030

PRESIDENT'S PATTERN CLEAR AND DISTURBING ON MINIMUM WAGE

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

Ms. KAPTUR. Mr. Speaker, recently, President Bush vetoed minimum wage legislation, that, for the first time since 1981, would have raised the minimum wage of America's lowest paid workers from the current $3.35 per hour, to $3.85 in October; to $4.25 per hour in October 1990 and to $4.55 per hour in October 1991. In other words, a working person would earn $8,008 next year or $20 more a week than she earned this year.

Now last week, the President proposed to raise the salary of the Vice President from $115,000 to $143,800 or a raise of $554 a week or $28,000 more a year. This amounts to a 25-percent raise. The neglect of the working people of this Nation does not build a kinder nor gentler nation. It only adds insult to injury against families who are barely earning enough to stay off welfare.

Over the past decade, President and Vice President George Bush has felt most comfortable in supporting income tax changes that have raised the real incomes of the wealthiest people in our country. Now he denies a minimum wage increase to those families who struggle to keep house and home together, or students who must earn on average $20,000 to afford a 4-year public college education.

The President's pattern is clear and it is disturbing.

THE GASOLINE PRICE EQUALIZATION ACT

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

Mr. CAMPBELL of California. Mr. Speaker, 12 years after the EPA ordered oil companies to start phasing out lead additives in gasoline, are we still using leaded gas? Moreover, in 1989, why does leaded gasoline cost less than unleaded?

In the 1970's, we were shocked to hear the dire reports about the dangers posed by leaded fuel. Brain disease, colic, palsy, and anemia were just some of the extreme human health hazards created by the lead spewed by cars into the air.

The introduction of lead-free gasoline into our country in 1977 has since contributed to a considerable decrease in air lead levels nationwide. By 1984, the count had fallen by 75 percent, to 39,000 metric tons. Each year since, the levels have continued to fall. Yet

as recently as 1985, gasoline still spewed close to 20,000 metric tons of lead into the air, enough to cause an estimated 123,000 cases of high blood pressure a year. Even today, over a decade after the advent of unleaded gasoline, many drivers still insist on using leaded gas, even in so-called unleaded-only vehicles. Several recent surveys have put this number as high as 14 percent of all vehicles on the road.

Why do drivers still insist on putting leaded gasoline into their tanks? Pure economics. Over the last 3 years, the price of leaded gasoline has averaged almost 6 cents less than that of unleaded. Why do we still allow an environmentally dangerous fuel to cost less than safer varieties?

It is time we eliminated the differential between gasoline prices and make the worst polluters pay for the damage they do to our environment. Today, with my distinguished colleague from California, Mr. MATSUI, and my distinguished colleague from Indiana, Mr. JACOBS, both of whom share my commitment to human health and to protecting the environment, I am introducing legislation that would raise the Federal tax on leaded gasoline by 6 cents a gallon, the average price differential between leaded and unleaded from 1986 to 1988. Enactment of this bill would end the only advantage that leaded gasoline has over unleaded—that of cost.

Mr. Speaker, at the very least, this bill would raise around $600 million in revenue for the U.S. Treasury, assuming that people would simply continue to purchase leaded gas at the higher new price. But it is my hope that we will simply tax leaded gasoline out of existence. Certainly drivers who have the choice of purchasing leaded gasoline or unleaded at the same price would choose unleaded, having lost the economic incentive to do otherwise.

Mr. Speaker, I submit this legislation today before the House of Representatives and urge its quick consideration by members of the Ways and Means Committee. At a time of high environmental awareness and budget reconciliation, I believe that it is an idea whose time has come.

PUT STREET PEOPLE IN CHARGE OF HUD

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

Mr. TRAFICANT. Mr. Speaker, some Americans sleep on steel grates. Some sleep in cardboard boxes, and some of those street people eat dog food to survive.

To straighten out this housing mess, Congress has created an agency called HUD, [Housing and Urban Development]. Congress gives them billions of dollars per year. And guess what: Their cronies at HUD steal the money.

Today now in Suffolk County, NY, 15 people are going to court for having bought HUD homes for $500, that is right, $500, and then they were so nice they rented them back to the good people of Suffolk County for $800 a month; $800 a month is what they rented them back for.

Mr. Speaker, I say today that Congress should, put the street people in charge of HUD. That way, if they steal a little money, maybe they will get something out of the program.

A REPREHENSIBLE ACT OF GREED AND SELFISHNESS

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

Mr. MARTINEZ. Mr. Speaker, I rise again today to continue my protest over what I believe to be a reprehensible act of greed, selfishness, and a complete disregard for maintaining a strong American defense industry. Never mind that with the FSX deal we have given a technological "leg up" to another country. Never mind that we have allowed Japan to become competitive with U.S. industry within just a few short years in the only market in which we are still the world leaders.

For the moment let us just look at a major U.S. corporation, GTE, participating in this selling out of America.

I find the situation I am referring to ironic because Americans, as individuals, are passionate in our loyalty to our country, and fiercely proud of our patriotism, yet we do not hold our own corporations to the same standard. The origin, history, and successes of this corporation came out of its reliance on the American people as an American corporation, and now GTE believes that its primary obligation is to the International Conglomeration of Corporations—or at least one French one.

While that might be necessary for GTE's private sector growth, GTE should not be wholly partaking in international market activities with American taxpayer dollars, thereby selling out this country. I say that GTE has an obligation to the United States, and to the American people which should go above and beyond what they can minimally be held to in legal terminology to a point which portrays a sense of morality, a sense of duty, and a sense of patriotism.

DELAY, DO NOT PRAY

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

Mrs. BENTLEY. Mr. Speaker, in light of recent discrepancies in costs and numbers reported with regard to the Catastrophic Health Act, I think it is time that we all listen to the folks back home.

We need to delay implementation of this monster we've created, so we can fix it. However, there are some who want to bulldoze through, make enough changes in catastrophic to confuse the issue, and pray that this time, through some unidentified miracle, our numbers, projections, and rationale will hold true. The latest we are hearing is a proposal to make catastrophic voluntary, but part B Medicare coverage, which includes prescription drug reimbursement and physician payment, would have to be sacrificed by those who choose not to pay the surtax under catastrophic. According to actuarial figures I was able to obtain in the past 24 hours, this would cost each beneficiary $2,000 annually if he or she passes the medical exam, and $4,000 a year if he/she fails the test. This would be financially crippling to many seniors. Clearly, it would be a lose/lose situation.

Before this Congress is forced to vote on any such measure, before we mandate these outrageous costs to our senior constituents, both dollar amounts should be carefully considered. This time, let us know for sure just what it is we are in such a hurry to push through.

INTRODUCTION OF LEGISLATION LIMITING ACQUISITION BY LEVERAGED BUYOUT OF AIRLINES

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

Mr. DEFAZIO. Mr. Speaker, should anyone who happens to be rich enough or anyone who can borrow enough money be allowed to buy an airline? Do we want to repeat the Eastern, Continental, Texas Air experience a few more times in America? Do we want to dismember United Airlines or any other healthy airline?

Yesterday the Washington Post had a story regarding the potential leveraged buyout or takeover of United Airlines. This is just one sentence my colleagues should pay attention to:

> It is this potential for generating cash that lights up the eyes of those who think in terms of leveraged buyouts, not the potential for running a good airline, a safe, efficient public air carrier; the potential to generate cash or, more realistically, the potential to leverage debt, burdening an otherwise proud, efficient, and safe airline to the point where the airline has to reduce maintenance, where they have to defer the acquisition of new equipment and avoid modernization, shaving other safety factors.

Leveraged buyouts of the few airlines that we have left in this country after the disaster of deregulation is not in the public interest.

Today I will introduce legislation that would limit the acquisition by leveraged buyouts of the few existing airlines we have left.

Mr. Speaker, I urge my colleagues to join me in this important legislation.

□ 1040

PROTECTION FROM CRIME FOR RESIDENTS OF THE DISTRICT OF COLUMBIA

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

Mr. BURTON of Indiana. Mr. Speaker, Washington, DC, is the murder capital of the United States of America. Mr. Speaker, Washington, DC, is one of the drug capitals of the United States of America.

If you want a gun in D.C., it is easy to get. If you want to get drugs in Washington, DC, they are easy to get. Yet law-abiding citizens do not even have the ability to defend themselves.

In the Capital of the United States of America you cannot even have a gun, a hand gun in your own home to protect yourself from somebody breaking in. You cannot even have mace in your home to ward off an attacker if they break into your apartment.

Two weeks ago one of my staff people had a gentleman if you want to call him that, break into her second-floor apartment, stab her with a 4-inch knife through the hand, try to rape and kill her. She was very forceful and wrestled with the fellow and fell down a flight of stairs, and was able to open a door. That was two blocks from this Capitol.

Mr. Speaker, the Mayor of Washington is not doing his job. The law enforcement agencies of Washington, DC, are not doing their jobs. We, Mr. Speaker, need to take this under advisement in this body and the other body. We need to protect the people who work on the Hill, the women especially who work on the Hill, and we need to do it very quickly. We need to provide a mechanism for them to be able to defend themselves in their own places of domicile, and that means allowing them to have some kind of defense to protect themselves, either mace or a weapon.

LAST OF THE ARMY CORPS NURSES OF WORLD WAR I

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

Mr. ANDERSON. Mr. Speaker, It is a sad occasion for me to take note of the recent passing of a great American. Now most of you don't know this person, but the great American I speak of today was Mrs. Lucille F. Tinder. Mrs. Tinder was the last surviving Army Corps Nurse of World War I.

Mrs. Tinder passed away on July 4, in Idaho, but she had been a resident of Long Beach after the war. But that is not what prompted me to rise today. I honor her here today, because our Government did not. Our Government failed to meet the needs of our World War I veterans after they had given their sweat and blood on the fields of Europe. Most of the World War I vets will meet the same fate as Mrs. Tinder. They will pass away unrecognized for their courageous service.

I introduced a bill, H.R. 1918, on January 4 of this year which would correct this shameful oversight by our Government. There are World War I vets in every one of your districts. Help them gain the recognition they deserve. Cosponsor my bill and send a message to the Veterans' Administration that we will honor all of our veterans who served this country.

THANKS TO ALASKANS WHO TESTIFIED AGAINST H.R. 987, TONGASS TIMBER REFORM ACT

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

Mr. YOUNG of Alaska. Mr. Speaker, later on today we are going to discuss legislation, H.R. 897, that affects the State of Alaska and the communities which I represent. I would like to take this opportunity in this short period of time to thank the Alaskans of Sitka, Ketchikan, Petersburg, Wrangell, and Juneau, all of the southeast region who came to Washington, DC, to present their personal views on how this legislation will affect their lives, its direct effect upon their children and their communities. The effort they put forth in the private sector, without any backing of any national group, just themselves, the women in timber, the loggers in the field, the store owners who depend upon the industry who those in this House would try to take away from them under the guise of the environment.

So I want to thank them from the bottom of my heart for the efforts they put forth, and as we go into this battle we hope for victory. If we do not achieve that, they can go forth with their heads high because they have done the job they were sent here to do, and it is a long way betwixt here and a law that will ever go to the President's desk.

So again, from the bottom of my heart, I thank you.

CONSUMER PRODUCTS RECOVERY ACT OF 1989

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

Mr. TORRES. Mr. Speaker, I have introduced into this House H.R. 2648, a significant piece of legislation. I have received support from the other body who also introduced counterpart legislation, S. 1181. It is an important and simple bill called the Consumer Products Recovery Act of 1989.

This bill would be important, I would say to my colleague from Alaska, and also tell my colleagues here in the House because 400 million gallons of used oil are dumped into our ground illegally evey year by Americans, 400 million gallons. That is equal to 35 *Exxon Valdez* spills a year, and yet we do this.

My bill would require or put into action a system of market incentives that would begin to recover used motor oil to be recycled and put back into our system again. Those 400 million gallons being dumped into our ground and into our landfills and into our sewers are fouling our groundwater, they are entering into our streams and rivers and our oceans, and they are fouling our environment.

REMEMBER THE HOSTAGES IN BEIRUT

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

Mr. DORNAN of California. Mr. Speaker, there is a tragic aspect of human nature that when some outrage happens, given the passing of enough time, we just tend to forget it, not accept it, but just forget it.

This Sunday an American hostage will have been held somewhere in some cellar dungeon in Beirut for 4 years and 4 months. That is about 8 months longer than it took the United States to complete the crushing of Fascism in World War II.

Terry Anderson, the AP bureau chief in Beirut, Lebanon, was captured March 16, 4 years ago. Then that following June a gentleman that had arrived at the airport to teach agriculture at the American university in Beirut, Tom Sutherland, was taken about 20 minutes outside of the airport on the airport road, so he has been a prisoner for 4 years, 1 month, and a few days as of today.

There are seven other Americans over there. Some of them were captured after they had been asked to leave, but they had faith in the security forces in Beirut. But Terry Anderson and Tom Sutherland were not warned to leave. They were serving the world news services in our country. We cannot forget these people, either

we in this Congress or the executive branch.

□ 1050

TONGASS TIMBER REFORM ACT

The SPEAKER. Pursuant to House Resolution 196 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 987.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 987) to amend the Alaska National Interest Lands Conservation Act, to designate certain lands in the Tongass National Forest as wildreness, and for other purposes, with Mr. FRANK in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from California [Mr. MILLER] will be recognized for 30 minutes; the gentleman from Alaska [Mr. YOUNG] will be recognized for 30 minutes; the gentleman from Missouri [Mr. VOLKMER] will be recognized for 30 minutes; and the gentleman from Washington [Mr. MORRISON] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona, [Mr. UDALL].

Mr. UDALL. Mr. Chairman, I rise in strong support of H.R. 987, the Tongass Timber Reform Act, as reported by the Interior Committee. I believe that this legislation is easily the most important environmental and natural resource measure to have yet come before the House in the 101st Congress.

Last year the Interior Committee brought similar legislation before the Rules Committee. The House subsequently approved it by an overwhelming margin of 361 to 47. At the time, I described to you the situation on the Tongass as a national scandal and a disgrace. Sadly, 1 year later, nothing has changed for the better. The laws requiring that the Tongass be managed unlike any other forest in the Nation—with off-budget timber management funds and mandatory timber offerings—are still on the books. The two 50-year contracts with the Sitka and Ketchikan pulp mills that stifle competition, encourage bad forest management practices such as high-grading and dictate such unbelievably bad timber sale terms that since 1982 the taxpayers have seen a return of less then $4 million while spending $386 million—these contracts are still firmly in place. Perhaps most distressing of all, the U.S. Forest Service is still defending the indefensible.

It is high time, in fact, it is well past high time, that the Congress act to correct this deplorable situation. H.R. 987 has three titles. Title I repeals portions of the Alaska Lands Act that establish an annual off-budget fund of at least $40 million and require the Forest Service to make available to industry 4.5 billion board feet of timber per decade. The former has failed so completely at its originally stated purpose—to upgrade marginal timber stands—that it has become an embarrassment. The Alaska delegation itself endorses its abolition. The later provision is foolish because it ignores the laws of supply and demand and unnecessary because industry has never cut the levels of timber called for in the mandate, which constitute legislative micro-mismanagement of the forest.

I would point out that last year the House voted to eliminate both these provisions. This year, however, the amendment to be offered by the Agriculture Committee asks us to retreat from that position by suggesting that we simply tinker with the 4.5 billion board feet mandate. Mr. Chairman, no amount of tinkering can change the fact that as long as the Forest Service is required to make these huge amounts of timber potentially available the forest planning and land use process on the Tongass will be corrupted as it has been for the past 9 years. The Agriculture Committee position on this matter is just unacceptable.

Title II cancels the two 50-year contracts. Last year, the Interior Committee proposed that those contracts be renegotiated. At the time, many of us doubted that the contracts could be satisfactorily renegotiated given the intransigence of the industry and its cozy relationship with the Forest Service, But we were willing to try that route if we could get the Senate to concur. That did not happen and as we promised on the floor of the House last year, the Interior Committee is back now with the proposal to terminate the contracts. We are confident that not only is this the wisest course of action, but also that there is ample authority and precedent for it and it can be done at little or no cost to the taxpayers. The Congressional Budget Office has attached no cost to this provision and the Congressional Research Service analysis lays a strong and well-precedented legal basis for it. Indeed, it will cost the taxpayers more to continue to honor these outmoded contracts than it might to terminate them. And given the history of contract renegotiation on the Tongass it also is very likely that renegotiation will cost the taxpayers more than termination possibly could. That history strongly indicates that for every concession won by the Forest Service, the pulp mills win a concession of their own worth millions in new taxpayer subsidies.

Finally, title III designates an additional 1.8 million acres of wilderness on the Tongass, mainly to protect some of the most important fish and wildlife habitats on the forest. These designations have strong local support of the rural communities most dependent on them and will leave the timber industry more than enough timber to meet projected demand.

The subject of Tongass timber reform has been before the Interior Committee almost constantly since I have been chairman. We have held countless hearings, discussions, negotiations, and field visits. With national attention now strongly focused on the Tongass and the prospects of Senate action growing bright, I am confident that this Congress is the Congress when we will finally be able to right some old and serious wrongs. The time for modern forest management on the Tongass has arrived. With passage of strong reform legislation we can protect one of the truly precious natural resources this Nation possesses, save the taxpayers' dollars, and protect jobs on the Tongass by expanding opportunities for commercial fishing, tourism, and recreation while continuing to provide ample timber for the logging industry.

Mr. MILLER of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I thank the chairman of the full committee, the gentleman from Arizona [Mr. UDALL], for his remarks. Nobody in this House except maybe the gentleman from Alaska [Mr. YOUNG] has spent more time on the issues of Alaska of concern to its citizens and its resources than the gentleman from Arizona. His distinguished record has helped to preserve much of the natural beauty of Alaska for the rest of the Americans and at the same time trying to strike an economic balance so those citizens in Alaska have an opportunity to work and support their families and to enjoy the environment. I thank the chairman for his support of this legislation.

Mr. Chairman, this legislation has a rather long history. It was passed last year, its most recent action on the floor of the House, by a vote of over 361 to 47. This year I believe we are bringing to the floor an improved bill by Congressman MRAZEK of New York which already has 155 cosponsors.

Mr. Chairman, as reported by the Committee on Interior and Insular Affairs, H.R. 987 is a work product of years of public concern and committee attention to the natural resources and the competing uses of Alaska's Tongass National Forest. This is legisla-

tion that attempts to strike a balance. It strikes a balance between the resource needs of this Nation, of the State of Alaska, the people of Alaska, the economic needs of those individuals, the future of the forestry industry in southeast Alaska, and the emerging economies of southeast Alaska; the economies of tourism, fishing, which we see now competing with timber use of these lands and which, if we do not pass this legislation, will all be threatened by the practices that are allowed under current law.

You know, it does not take a forestry expert to figure out there is something drastically wrong with a policy where the Forest Service charges an outfitter $3 per day to take somebody into this forest to look at the trees and charges the pulp companies $1.48 to cut those trees down. Something is terribly wrong. Something is terribly wrong with the policy that allows $40 million to be spent, whether or not it is necessary, to open up these lands for timber sales, whether or not those sales take place. Something is terribly wrong when the Congress of the United States allows us to spend $386 million to create a timber industry in southeast Alaska and at the same time only receives $3.9 million in timber receipts from those sales.

Something is terribly wrong when a program that spends almost $400 million to create jobs in southeast Alaska timber sales, watches those jobs decline, at a time that we are force feeding this industry Federal subsidies, by 34 percent between 1980 and 1988. Something is terribly wrong when the Forest Service continues to engage year after year in forest practices at the behest of these companies that destroy fisheries, that destroy major streams and tributaries where a permanent economy every year is created with the spawning of the salmon and other fishes in southeast Alaska. This bill directs itself at correcting those wrongs.

The Interior Committee's substitute for H.R. 987 has five major features to restore fiscal and environmental common sense to the Tongass.

First, the bill repeals the 40 million dollar permanent timber subsidy which was tacked on to the Alaska Lands Act in 1980. Since 1982, we've spent $386 million on Tongass timber subsidies and returned only $3.9 million in timber receipts to the Treasury. As a jobs program, the GAO found this to be a dismal failure. Despite the subsidies, timber employment declined by 34 percent from 2,700 in 1980 to 1,781 in 1988.

The main boosters and beneficiaries of this boondoggle are the Forest Service bureaucrats and the pulp mill owners.

Second, the bill repeals the 4.5 billion board feet per decade timber supply which applies only to the Tongass. Eliminating the 4.5 is absolutely essential to Tongass reform. This is a license to overharvest the resource, no matter what the environmental consequences or interests of local communities. The 4.5 biases the forest planning process, reducing the upcoming Tongas plan revision to a game of cards where the timber industry holds all the aces.

Third, the bill requires that the Forest Service comply with National Marine Fisheries Service policy by retaining minimum 100 feet nonlogging buffer zones on each side of salmon streams. This policy was developed because of continuous degradation of fisheries habitat by logging activities. Tongass reared salmon are a renewable resource worth over $100 million annually to commercial and recreational fisheries.

Fourth, the bill changes the way in which timber is sold on the Tongass by replacing two long-term contracts with short-term, competitively bid sales which are standard on other national forests. The two contracts, signed in the 1950's, are the last remnants from a dark era where old-growth forest was viewed as a menace to be eliminated as quickly as possible. The contracts—which provide an unfair monopoly over two-thirds of the Tongass timber—are the primary obstacle to proper management of the forest.

Unlike last year's reform bill, H.R. 987 provides for termination rather than directing the Forest Service to try again to change the contracts. A new timber supply system is justified because the contracts, prevent proper management of the forest, because Congress has unsuccessfully tried since 1976 to make the Forest Service to achieve renegotiated change in the contracts, and because the holders have breached the contracts by systematically violating antitrust and environmental laws.

H.R. 987 should not result in Government liability for damages. A CRS study—based on the cancellation of seven timber contracts in the 1978 Minnesota Boundary Waters Canoe Wilderness Act—concludes that we will not owe any damages for terminating the Tongass contracts in the public interest.

While acknowledging the possibility of breach of contract action, CBO refused to state that any such suit would either be successful or even decided in the next 5 years. The bottom line is that CBO's cost estimate credits H.R. 987 with a savings of $191 million in outlays through fiscal year 1994.

When evaluating the costs and benefits of these contracts, I ask my colleagues to keep in mind the fact that leaving the existing contracts in place costs the taxpayers more than $30 million per year. By the year 2011, when the last contract expires, we are guaranteed to have spent more than half a billion dollars. In contrast, replacing the contracts with short-term sales would fundamentally improve forest management and stimulate jobs and generate additional revenue through competitive bidding on timber sales.

Finally, H.R. 987 designates as wilderness 23 areas covering 1.8 million acres of the Tongass. The lands include some of the most valuable fish and wildlife habitat in the United States. There is strong support for permanent protection of these areas from communities and organizations in southeast Alaska.

The new wilderness areas will not affect the ability to meet industry demand in the Tongass. Only 5.7 million acres of the 16.7-million-acre Tongass is commercial forest land. While the existing 5.5 million acres of wilderness has scenic and many other values, most of it is literally rock and ice. Over 90 percent of the highest volume timber is not currently within wilderness. The new wilderness areas would result in a loss of only 238,000 acres from the scheduled timber base of 1.75 million acres. Wilderness would reduce the scheduled Tongass timber harvest of 450 million board feet annually by only 49 million board feet. Yet the average annual harvest has been only 285 million board feet.

There is no longer any measure short of this legislation that we can take to get the Forest Service to replace its policies that are damaging the economy, damaging the environment, and damaging those resources. There is no action short of this legislation.

There has been no successful renegotiation because asking the Forest Service to renegotiate these contracts with these pulp mills is like asking Lincoln Savings & Loan to negotiate with the FSLIC. It is one and the same.

It is like asking the people at HUD to negotiate with the lenders and the borrowers; they have become one and the same, they become entangled. They become entangled when timber companies keep the bureaucrats employed and the bureaucrats keep the timber companies wallowing in Federal subsidies. That is what is going to be brought to an end today when we vote for this bill as we did last year on a bipartisan basis.

The capping of that will be that while we save the taxpayers hundreds of millions of dollars over the remaining life of this contract, we will also be saving a resource and putting it on a sustained yield basis, allowing the timber industry to thrive.

We will be enhancing the fisheries so more and more people in southeast Alaska can participate in that economy.

We will be enhancing the environment so more and more people from the lower 48 will be able to go to Alaska to enjoy its economy, to enjoy its resources, to enjoy its scenery.

We will put a stop to the rape and the pillage by two privileged companies that are allowed, from the private sector point of view, to manage a forest, America's largest, as no other forest in America is managed.

□ 1100

That is what we have an opportunity to accomplish today. I ask the Members to support the Interior bill. I ask them to repudiate the Agriculture substitute because it does nothing more than allow these obscene practices to continue, both with respect to these companies with their hand in the taxpayers' pockets and the rape of the environment with the consent of the Forest Service.

We cannot ask two parties that in fact have become one and the same to renegotiate. They have taken no action in response to the overwhelming vote of last year, and we must proceed in this fashion.

Again, Mr. Chairman, I urge my colleagues to support the Interior bill and to reject the Agriculture substitute and all of the damaging amendments that will be put forth on the floor here today.

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

Mr. YOUNG of Alaska. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, first let me say that it is a good thing that the gentleman from California [Mr. MILLER] and I are good friends, because I have never heard such a statement made using such outdated facts and emotionalism relating to HUD and the savings and loans. That is a scare tactic; that is a Joe McCarthy-type tactic which I do not appreciate.

Let us be honest about this. This is not the same bill the gentleman was the sponsor of last year. It is not the bill the Congress voted on, and, yes, I asked some of our Members, if they wanted to, to go ahead and vote for it. But it is not the same bill. To say that it is, is absolutely not true, and the gentleman knows it.

Mr. Chairman, I oppose H.R. 987. I have represented Alaska in this body since 1973, and as the chairman has stated, and then the gentleman from Arizona [Mr. UDALL], I have been probably closer to the people of Alaska than anybody else in the sense of what I believe is good for them and also what they believe is good for them. I have listened to them; I have heard their wants and, most of all, their needs and their dreams, and that is what American is about. I come before a group of people every 2 years, and they report on my report card whether I have done right or wrong. I am not from outside that district; I am not from California or New York, and I want to make it perfectly clear that this is not the bill that all Alaskans want.

I am sure that everybody wants things to run better. They want a better mail service, a better Defense Department, and better housing, but there is nobody I know of that wants no mail service, no defense, no roads, and no housing.

H.R. 987 does that to the Tongass National Forest. It will allow no timber harvesting, period. Regardless of what the gentleman from California says, there will be no timber harvesting.

I think it has to be made clear that the Governor of Alaska, one of the gentleman's own party, is against this bill, and he is not running for reelection. The chamber of commerce and nearly all of the people of Alaska are against this bill. There are a few who support it, and, yes, I respect the position of those few. Many times I have tried to work out a solution, as the gentleman from California knows. We worked long and hard last year, and I was willing to accept a compromise. That never was able to get to the House floor, and it never went to the U.S. Senate, so we are back here today with a bill that will put 6,000 Alaskans out of work and cost the taxpayers money. It will not save any money for them; it will cost the taxpayers money.

Let us go back to this word, "Tongass." This is the Tongass. It is the largest national forest in America today, and I am proud of that. It contains 17.5 million acres of some of the most beautiful land, if not the most beautiful land, in the world. It is bigger than the whole State of West Virginia, and that is a beautiful State. There are only 60,000 people who live there. The three biggest parts of the economy in the area are fishing, timber, and tourism, the three legs of the stool, but the only year-round employment is in timber. All of the timber harvest on the Tongass complies with every environmental law on the books today that we passed in this Congress.

Mr. Chairman, I hope that my colleagues will listen very carefully to this: 90 percent of the 17.5 million acres of the Tongass is already off limits to timber harvesting. It is not off limits for tourism, it is not off limits for fishing, but 90 percent is off limits for timber harvesting. That leaves us with only 10 percent.

Contrary to what some people say, this is not the "Imperial Congress," but, unfortunately, in 1980, when most of the present Members were not here, this Congress made an agreement with the people of Alaska that there would be that 10 percent available for harvesting and that in fact there would be $40 million in unappropriated money to harvest the lower grade timber. This bill does take that $40 million out.

I do not argue with that. So does the Agriculture bill; it takes the $40 million out. That is a given. It is no longer important.

Someone said that this saves taxpayers money. I agree. It has been taken out. It is not on the table; it is gone. But let us remember that last year for every dollar the Forest Service spent they got 87 cents back, plus over $40 million in taxes, Social Security, and other payments to the Federal Government, plus jobs for thousands of Alaskans, with a payroll of $118 million, plus $486 million in cumulative value to local, State, and Federal economies.

These are just direct benefits, not indirect. We get a road system that makes communities possible, and these communities are the real story of the Tongass. These are full of people who are working with their hands and their backs. They are proud of that. They work in the great outdoors, just carving out a tiny part of the Tongass to make it possible for others to follow. They are building their communities, their hospitals, their churches, and their small businesses. This fulfills the dreams of individual American citizens. They are making sure there is a place for people to work, a place for people to dream. It is a place for people to conceive what they think America is about.

H.R. 987 takes all of that away. And for what? The gentleman from California says we passed a similar bill last year. The difference is this much. If I may, I would ask the Members to look at these charts. This is the Interior Committee bill. Under the proposal in the language that the gentleman from California and other staff members never had the decency to explain, there is a buffer zone. That sounds good, does it not? That is beyond the wilderness area, 1.8 million acres added to the 5.7 million acres they have already. They are adding that in this bill, and they are adding it in that bill. But that buffer zone concept eliminates 23 precent more of the ability to harvest any timber in southeast Alaska.

This bill repeals the contracts that this Congress, not the Forest Service, said shall take place for long-term investment, for building these two pulp mills in Alaska.

Although the Tongass is the greatest national forest, it is the least harvested forest in the United States today. California, Washington, And Oregon cut more timber in 1 year in one-third of the size than would be cut in the Tongass in 10 years.

Mr. Chairman, H.R. 987 is not the bill that Members on my side of the aisle voted for last year. It is a bill that repeals contracts, puts in buffer zones, and creates 1.8 million acres of wilderness. None of those things were in the bill last year. It is a bill that crushes the American dream.

For what, and for whom? For Long Island? This is less than a million acres, perhaps a little over a million acres for the people. That is all they are asking for. I do not know how many acres of people that amounts to. But for Long Island, we are crushing a dream?

□ 1110

Mr. Chairman, I say to my colleagues, "For Marin County in California you're going to crush a dream?"

Mr. Chairman, I have been told by the chairman of the full committee, and I wish he was here, that he was going to help us negotiate a settlement, of which I have asked for and begged for for the last 6 years, and the gentleman knows that is true, and yet today on this floor we have a bill that literally takes the livelihoods of Alaskans, American citizens, and crushes them. And I say, "For what?"

It has been said, "For the environment." The environment? This is overkill.

Mr. Chairman, the environment is being protected today, about 5.7 million acres of wilderness, and in the Ag bill there is 1.8 million acres of wilderness added, too, and I am not too happy with that, but it is there. However the bill that came out of my committee that was voted against 100 percent on my side of the aisle is the bill that does great harm to the word of this Congress, to the word of this Nation, and to the people that they gave their word to.

So, I am asking my colleagues today to think very carefully and to look inside their souls, to remember that it is not the bill that was here last year that they may have voted for, and I am asking them to vote for the Ag bill, the Ag bill that was bipartisanly supported by 100 percent that took the time to look upon the direct effect of lives of Alaskan people, that understood the buffer zone concept and the requirement to have the pulp mills, not only for the economic base, but to have the best return and the timber harvest is not wasted.

I am asking my colleagues, when the substitute is offered by the gentleman from Missouri [Mr. VOLKMER], that in fact it will be the bill to be voted yes on, and we will give a bill that can solve the problems of the timber industry, protect the environment, and save the taxpayers money.

Mr. Chairman, I am asking my colleagues to vote yes on that legislation, the Ag bill. If that fails because they are not willing to accept justice and they want to be punitive, then I am asking my colleagues in all fairness to vote no on final passage to give the State of Alaska, the people of Alaska, the opportunity for this President to try to bring those that wish to negotiate in good faith, such as myself, to the table, if they wish to solve the problem.

So, Mr. Chairman, in fairness, in justice, a yes vote for the Ag bill. If that fails, a no vote on H.R. 987, in the name of God.

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

Mr. VOLKMER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise today, of course, in support of the Committee on Agriculture substitute for H.R. 987, and the reason I do so is because we have spent a long period of time over the past several years in developing this legislation as an alternative to the Interior bill. We have heard from a long list, an extensive list, of witnesses from Alaskan and national organizations, elected officials, and from the Forest Service. We received and reviewed numerous letters from Alaskan citizens, supporters and opponents of changes in the Tongass timber program, in that period of time.

We have reached a general agreement in our committee across party lines that there are problems with recent and current management of the Tongass National Forest. The Forest Service has given too great an emphasis to the timber production, due largely to artificial constraints basically from the 1990 ANILCA timber supply mandate, 4.5 billion board-feet per decade, and under the two 50-year contracts which we feel that the Forest Service and the pulp mills have not properly interpreted. We feel that the Forest Service can have and must have greater determination as to where timber is to be cut in the Tongass, how much timber is to be cut, when it is to be cut, et cetera. That is a decision on the contracts that the Forest Service should make, and we have said so in our substitute.

Mr. Chairman, we have a strong conviction that the national forests should be managed for multiple use recognizing the public needs and capabilities of all lands in the Tongass. As we have heard here before, there are three elements to the economy of southeast Alaska and the Tongass, and those are tourism, timber industry and, of course, the fishing industry.

We have emphasized in our substitute that the Forest Service should give more credit to both tourism and the fishing industry in Alaska to equalize that with the timber production. Some timber production activities are important economic sectors, and without timber, then we are going to lose, as the gentleman from Alaksa [Mr. YOUNG] said, about 6,000 people out of work in southeastern Alaska, out of a total of approximately 60,000. That is 10 percent of the people automatically out of work, and that will have a rippling effect on the total economy of southeast Alaska.

Mr. Chairman, under our bill we do not see that we will have anybody put out of work, while under the Interior bill it is very clear to many of us that we would have the pulp mills closed, and, as a result of that closing, we are going to see an economic downturn in southeastern Alaska.

Now our committee did reject recommendations of the Forest Service, which said take no action until the revised land management plan is completed. We rejected that position because the plan would be based on timber supply requirements of 4.5 billion boardfeet a decade.

We do away with that mandate of 4.5 billion boardfeet. We do it a little bit differently than the Committee on Interior and Insular Affairs. The Committee on Interior and Insular Affairs does away with it, but they put no limit on the amount of timber that can be cut in the Tongass. We put a cap. We put a 4.5 billion cap instead of a floor, and now it is a ceiling, and, therefore, we feel that the Forest Service will not permit any further cutting beyond that cap. We, as the Committee on Interior and Insular Affairs, do provide that the Forest Service should provide the amount of timber based on the management plans and the demand of the timber up to that amount.

Now, upon review of the 1988 Timber Reform Act reported by the Committee on Interior and Insular Affairs, most of our subcommittee agreed with the actions proposed, a repeal of timber supply mandate, the contract renegotiation, moratorium to timber harvests in particularly sensitive areas.

Now that was last year's bill. This year's Agriculture bill is almost identical to last year's Interior bill which we agreed to.

Now last year that bill was taken up on this floor and passed overwhelmingly. The Committee on Interior and Insular Affairs supported that bill overwhelmingly. We supported that bill. We still feel that is the way to go in order to keep some timber industry operating up there, but to correct the wrongs that have been done without terminating the contracts.

Now, Mr. Chairman, in the 1989 bill the Committee on Interior and Insular Affairs' bill is not nearly the same as the 1988 bill. It is a King Kong squeezed into a chimpanzee suit. That is really what it is because it is very drastic. It cancels those contracts rather than requiring renegotiation and giving the Forest Service the

power to actually manage that forest up there. By cancelling the contracts we are telling those pulp mills up there that they just may go out of existence. We are telling 6,000 people up there, "You're going to be out of work."

However, Mr. Chairman, I think many people, good lawyers, will say, "Once you terminate those contracts, you're going to pay out the nose in damages for doing it," and who is going to get the money when we pay out the damages?

□ 1120

The pulp mills get the money. Those 6,000 people up there, they do not get anything. They just get out of work. So I think that everybody should think very seriously before going to the extent of cancelling those contracts.

We worked this bill out. The Agriculture bill was introduced with the gentleman from Washington [Mr. MORRISON]. It was not even considered by the Interior Committee. It was approved by our subcommittee and the Agriculture Committee then substituted it for the Interior Committee provisions.

Now, we did not address the wilderness provisions of the Interior bill because we do not have jurisdiction over them. We do have jurisdiction over all of our national forest management, because that is in the jurisdiction of the Agriculture Committee.

I think that the Agriculture Committee has worked very hard to make the determinations that we have in developing our substitute. We have not taken this matter lightly. We are very concerned about what happens in southeast Alaska.

I think there are other important differences, but clearly, the heart of the disagreement between the committees is the treatment of the contracts. We say that we need to renegotiate those contracts, that under those contracts the Forest Service has the power to manage those forests just the way they have been managing the national forests in the other States of the Union.

We also provide, as they do, for the elimination of the 4.5 mandated billion board feet per decade. We eliminate the $40 million annual appropriation, so we have agreed on those basic things.

Now, how did this all come about? What was the reason for it?

Well, back in the late forties and early fifties there was not very much up in the Tongass. There was not very much going on in southeast Alaska. Someone had a bright idea that there is a lot of good timber—and a heck of a lot of it is still up there in southeast Alaska in the Tongass—so let us get some timber industry up there.

Well, what kind of timber industry are you going to get? Are you going to get a regular saw mill that will just saw logs in the Tongass? No. You are not going to get that because 40 to 60 percent of the timber, of the trees in the Tongass, are not good for saw logs. It depends on what part of the Tongass you are cutting. Many trees are only good for pulp. As a result, without the pulp mills you are not going to have a viable timber industry in southeast Alaska. Therefore, they made the contracts with the pulp companies in order to get the pulp mills up there, in order to get a timber industry started in southeast Alaska. It was an economic boom to southeast Alaska. As a result, you have had a development in southeast Alaska around Ketchikan and Sitka and other parts of southeast Alaska.

You have had additional tourism because of what has happened under these contracts. Sure, there were roads built as a result of these timber contracts, but a lot of those roads are now being used by tourists. Without the roads, you would not have the tourism.

Now, timber employment is no longer only a jobs program, but it is actually part of the economic viability of southeast Alaska.

Clearly, I will admit, this is a subsidy for economic development when they started these pulp mills up there under these 50-year contracts; but, Mr. Chairman, we do that for other parts of this country all over this country.

We have subsidized economic development programs through economic development block grant programs, through the Defense bill, you name it, the Public Works bill. We have subsidized all other parts of this country. Are we now to say to southeast Alaska, "We don't like this subsidy. We don't like this economic development program that was started up there for your people, and therefore we are going to close it down."

I say no.

True, there are big problems with the management of the contracts. Let us correct those management problems, but let us keep the timber industry, as well as the fishing industry, as well as the tourism industry, for southeast Alaska.

Now, it has been said here and I have heard it repeatedly in the past, and it was true in the past, that this timber has been sold at less than it should have been, for $2 a thousand board feet, but those have been renegotiated as a result of what the Agriculture and Interior Committees have done in the past 2 years.

Ketchikan Pulp today is paying $84 on the average, depending on the type of tree, but on the average $84, not any dollar-and-a-half or $2 you may be hearing here. Ketchikan Pulp is now paying $84 a thousand board feet.

Alaska Pulp's contract is now being renegotiated and they, too, will be paying in the future those higher prices. That is part of the effort I say that we need to do, not terminate those contracts, but continue to renegotiate to be able to say that we are getting our money's worth for what is going on in southeast Alaska.

You know, the commitment of the U.S. Government should mean something. This Government has contracts all over. Every agency almost has a contract with some corporation or private individuals. Now, are we going to say today that our word means nothing, that we can just terminate contracts willy-nilly if we do not like them? What was done before by somebody else that we do not like, we just terminate it, is that the signal that we plan to send out today to everybody who has a contract with the U.S. Government? I do not think so.

I think the proper way to go is to require that the Forest Service manage the National Tongass Forest more properly. We have the provisions in there that require renegotiation of those contracts and those things that we find objectionable.

With that, I would like to close by saying that I would sincerely appreciate, and I know the members of the Agriculture Committee would sincerely appreciate a vote for the substitute.

Mr. MORRISON of Washington. Mr. Chairman, I yield myself such time as I may consume.

We have just heard from the distinguished gentleman from Missouri, a very good country lawyer, and I think he has eloquently stated the case on behalf of the Agriculture Committee version of the Tongass Forest.

I just want to repeat a few of those elements and perhaps add a couple additional points on something that will be underscored over and over in this exchange, and that is the bill you voted for last year is very, very much like the Agriculture substitute that we will have in front of us a little later on during this presentation. If you want to support the vote that over 300 of us cast last year on behalf of that measure, you would support the Agriculture Committee version of this package.

There are some differences. You have heard them described. You looked at these in a very measured way. We would like to think that our subcommittee takes its time. It listens to both sides of the aisle. We have virtually no division between us politically.

Essentially what we have done in looking at the Tongass is what I think all you Members would want us to do, that is to say there are conflicts that came from the 1980 agreement. Those have been before us now for several years. Let us get rid of them if we can.

Let us in fact treat the Tongass like any other forest in our national system and manage all of them properly, do the sort of planning that is necessary, do the sort of environmental protection that is justified, but to get on with the production of America's wood products and our paper sources and fiber that we need for a variety of different products that we produce.

□ 1130

So we bring up the Committee on Agriculture substitute. It has essentially three differences from the Interior version, the most contentious of which is whether we terminate the contracts that this Government has written in good faith with two different paper mills to build those mills or whether we, in fact, force them to be renegotiated.

Some of us who represent large segments of the wood products industry can share with the Members how difficult it is to build a paper mill. It is a tremendous investment, and there is no way that anyone is going to do it unless they have a long-term commitment to a supply of wood chips. This was done in the case of Alaska, and perhaps we would disagree today with the way those contracts were written. That is why our approach to them is to renegotiate them.

Do not terminate them. Keep these mills alive and well, because they are vitally important, and the only year-round industry that exists in the southeastern Alaska area. Let us not undo that long-term commitment and all the legal difficulties that would be brought with that, but let us renegotiate, and if we read our renegotiation language, it gives the Secretary of Agriculture only 1 year, forces that negotiation to move in the direction of matching other forests in the planning processes, that we go through there, returning more dollars obviously to the U.S. Treasury and yet not undoing the operation of the mills.

May I also remind the Members, as the chairman, the gentleman from Missouri [Mr. VOLKMER], has indicated, only 60 percent of the wood up there is usable in the pulp mills. The other 40 percent then goes to help operate local sawmills or is sold elsewhere to the benefits of our national forest system.

We have to have the pulp mills or we cannot afford to make the cuts, the harvesting, that leads to the operation of the sawmills, many of them also in the same area.

Let us stay with the renegotiated contract. We know we can make that work. A number of us would even say after that 1-year period and the Secretary of Agriculture reports back on his progress to us that if in fact the mills have not agreed to realistic modifications of the contracts that we could do something more heavy-handed here within Congress rather quickly.

Another difference that is important is this issue of how much wood we cut, and the agreement back in 1980 revolved around 4.5 billion board feet per decade that many of us feel is unrealistic, but the number should still be kept. We keep it, instead, as a ceiling so that it is mentioned, and the Forest Service would offer then sales on the basis of what the market demand really is up to that 4.5 billion board feet. That is a realistic approach and one that is easily supportable by the Members of the Congress.

The other area, buffer zones, there is only a slight difference between the two of us. We say that those buffer zones 100 feet wide should be preserved around just the anadromous fish streams. When we are dealing in a rain forest, folks, be careful when talking about tributaries, because every few inches there can be a tributary during part of the year, and if there is a hundred-foot protection on each side of those, we essentially have eliminated the forest from harvest, and that is not what I think any of us have in mind.

The choice, as we look at the two major versions of this bill in front of us today, one is a hard-line bargaining position. I can understand and respect my friends on the Committee on the Interior for taking this position. I am not so sure it leads us anywhere. We have seen this measure get to the Senate before where the State of Alaska has its representation as a State with two Members, and it does not have that representation here because of their limited population, though I admit my friend, the gentleman from Alaska [Mr. YOUNG], makes up for a lot of that in his rather aggressive style, but let us not send them something that is unrealistic. Let us send them something that really expresses how we feel here in the House.

Mr. Chairman, the Committee on Agriculture has tried to do that for us. We are closer to the real world, again, almost identical to the version we passed so overwhelmingly last year.

One last comment: A letter from the Governor of Alaska was sent to Senator FOLEY just in the last few days which opposes the enactment of H.R. 987, particularly the contract terminations and wilderness designations, and believes it is important to retain some reference to the 4.5 billion board feet set out in the agreement in 1980.

Again, the Committee on Agriculture version does not terminate the contracts but forces them to be renegotiated. It agrees to the wilderness designations, because those are not within our jurisdictions, and we retain that 4.5 billion board feet but as a ceiling as opposed to a mandated offering for harvest.

One last comment: My understanding is that letters exist from the Secretary of Agriculture indicating that if the Interior version of the bill passes and got all the way through the Congress by some chance that it would be very highly recommended for a veto.

Mr. Chairman, I yield 9 minutes to the gentleman from Oregon [Mr. ROBERT F. SMITH].

Mr. ROBERT F. SMITH. Mr. Chairman, I thank my friend, the gentleman from Washington, for yielding me this time.

Mr. Chairman, I, as one of three Members of this House of Representatives, sit on both the Committee on the Interior and the Committee on Agriculture. As a result of that, I have been involved in the markup on the Committee on the Interior as well as the markup on the Committee on Agriculture. I was involved with this bill when it came to the Congress in the last session of the Congress, so I think I have somewhat of a unique opportunity to look at both of these bills as they come before the Congress and as the Congress must choose between them.

Very frankly, my friends, I want the Members to know that the Interior bill is an extreme bill that would put the State of Alaska out of business. This is disaster for Alaska. This is the Interior bill. That is the Agriculture bill. That means life for Alaska, and I want to get into some detail about these provisions.

Both bills, as Members know, repeal the $40 million that has currently gone to Alaska every year to manage timber. That ought to be enough. That ought to be enough for Alaska, but, no, there is more.

Both bills include some 1.8 million acres of additional wilderness, some 23 additional wilderness areas in the Tongass. As Members can see by the yellow on this map, both bills include those, so we are not discussing those two issues.

We are discussing the question of the so-called cap of 4.5 billion board feet for 10 years, which breaks down to 450 million board feet each year for 10 years. That, in the Agriculture bill, remains as an extreme limit.

The facts are that we have been harvesting about 338 million board feet a year. That is all that has been sold on the Tongass, and so the cap really has no effect except to say that we cannot go beyond 450 million board feet, and, by the way, that is sustainable. That is a perpectual yield. We are not violating any environmental laws. We are not violating any forestry practices. Four hundred fifty million board feet is doable, and it is a perpetual opportunity for us.

I remind everybody again that this is the largest forest in the world, 17 million acres, and we are only operating

on 1.7 million acres today, 1.7 million acres. That is 10 percent of it. We are going to say, if we pass the Interior bill, we are going to wipe out almost half of the allowable cut in that 1.7 million acres that are left, and that, my friends, indeed, is 6,000 jobs.

The two committees do conflict on that question, because the Committee on the Interior wipes out any reference, of course, to the allowable, while the Committee on Agriculture retains that cap of 450 million board feet only to be sold on the basis of good forestry practices and not to sell 450, but that is as much as they can sell.

The more important difference between the committees is this question of the long-term contracts. It is easy to argue, and I would, that one should not be selling timber in Alaska for $2 a thousand to anybody. It is worth more than that. These long-term contracts were entered into to encourage the two pulp mills that are in southeast Alaska to come there, because, as has been mentioned, 60 percent of the wood that comes off the Tongass, the 1.7 million acres, is merely lousy, rotten kind of stuff that is pulped. The remainder of it is good timber that is run through the sawmill and sold as boards and such as that.

If we eliminate the pulp mills, we eliminate not only the opportunity to harvest, and that is what this does, that is why it is at 173, because there is no pulping here. If we eliminate the pulp mills, however, what do the environmentalists say when asked can we replant and reseed that kind of wood that is going to lie on the ground and is no use, no purpose, if we do not pulp it? Because we must take it off to replant and reseed.

□ 1140

The facts are in the Tongass we are doing very well in replanting and reseeding. In fact, we are growing a brandnew forest and it is a better forest than ever before. It is a spruce forest, and in these matted areas where there is a lot of material, the point is unless we take the pulp stuff off the floor of the forest we cannot reseed and we cannot replant. We are doing that, and we are planting a better forest for the future.

The difference here again is without those two pulp mills we cannot harvest either in good forest practice or for the people of Alaska. We cannot harvest this forest. If we eliminate the long-term contracts, we eliminate the pulp mills, it is that simple.

They ought to be paying a proper price and they are, by the way, as witnessed by our fine chairman, the gentleman from Missouri. Those contracts have been renegotiated. There is one left, yes. One has been renegotiated, one is left, and that will be done within 1 year.

If my colleagues go to the agriculture bill, within 1 year that will be accomplished so that we have some stability in the pulping process in Alaska, which is the fundamental issues.

What about the quality of life? I thought we ought to manage public resources for quality of life. I mean is that not what this is all about? I thought quality of life meant that you have a future, you have an opportunity, and in this case to fish and to hunt and to recreate and tourists can come, and additionally you ought to have a right to have a job. I mean that is quality of life.

Goodness knows, operating on this very small percentage of the Tongass there is a very small percentage of the forest supporting 6,000 jobs. That is quality of life. We ought to retain that.

What is happening on the Tongass? Is it being overcut? Absolutely not.

The Tongass is being managed by the Forest Service, as I mentioned, for yields of timber at the 450 level forever, forever. Beyond that, the replanting as a result of pulping will create in the future a forest that can be increased in allowable cut, and more timber developed for Alaska and for this great country.

So I urge my colleagues when looking at the two bills, and I have been involved in the markup of both of them, the agriculture bill is a reasonable position. The other is an extreme position that puts Alaska out of business.

My colleagues remember, I was here, many of them were here when we sat and spent $4.5 billion to create jobs in America, create jobs. Members remember those public works days in the early 1980's when we were out of work.

How much are we going to have to spend to refurbish Alaska if we take away 6,000 jobs? We ought to look at it I think, but we ought not to do it.

I suggest we stay with those who know about this issue, the reasonable, bipartisan side that was demonstrated in the Agricultural Committee. I suggest we stay with the Governor of Alaska. I suggest we stay with the House and Senate of Alaska, and I suggest that we have drained enough from our good friend, the gentleman from Alaska, DON YOUNG. We ought to stay with him.

Mr. MILLER of California. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina [Mr. CLARKE].

Mr. CLARKE. Mr. Chairman, I rise in strong support of H.R. 987, the Tongass Timber Reform Act, as reported by the Interior Committee. This bill represents a reasonable solution to the problems that plague this great national forest, one of the crown jewels of our public lands. I have visited the Tongass and it is a shame to realize that we are selling millions of board feet of virgin timber at a huge loss to the U.S. Treasury while at the same time we are degrading the recreational value of this beautiful forest, threatening Alaska's fishing industry, and hurting the region's tourist appeal.

It is clear that the Tongass timber sale program is one of the worst cases—probably the worst case—of below-cost timber sales in the Nation. Since 1982 the Federal Treasury has paid out $386 million to support the Tongass timber program. Receipts for those timber sales in the same period totaled only $4 million. At one point in our hearings the Forest Service admitted that because of the 50-year contracts the two pulp mills were paying $3 per thousand board feet for spruce, while independent loggers in the Tongass were paying an average price of $30 per thousand board feet—10 times as much.

The Forest Service has testified that it costs the Federal Government $30 million a year to administer the 50-year contracts. If things continue at this rate the Federal Government would lose over $0.5 billion by the time the last of the two 50-year contracts expires in the year 2011.

It would be irresponsible to allow current management practices to continue. The termination of the $40 million automatic appropriation for the timber program which the bill provides would put the Tongass on the same basis as every other national forest, receiving an annual appropriation for its program on the basis of need.

According to the Congressional Research Service the termination of the 50-year contracts with the pulp mills and their replacement with standard competitive short-term sales is not likely to be found to be a breach of contract. I believe that H.R. 987 will not endanger Alaskan jobs. Many of the workers in the pulp mills are not even residents of Alaska. It is time that we manage the Tongass on a businesslike basis. H.R. 987 as reported by the Interior Committee deserves our support.

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. CLARKE] has expired.

Mr. YOUNG of Alaska. That is a quick watch, Mr. Chairman.

The CHAIRMAN. Does the gentleman from Alaska wish to yield him 1 minute?

Mr. YOUNG of Alaska. I yield 1 minute to the gentleman from North Carolina.

The CHAIRMAN. Will the gentleman yield?

Mr. CLARKE. I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. Mr. Chairman, does the gentleman from North

Carolina know how much money is returned to the Treasury from the forest in his State for every dollar invested?

Mr. CLARKE. Not the precise figure, no.

Mr. YOUNG of Alaska. It is 57 cents back to the Treasury for every dollar invested by the taxpayers. In the Tongass we return over 87 cents for every dollar invested. Our forest returns more dollars to the Treasury than your forest does.

Mr. CLARKE. Mr. Chairman, I yield back the balance of my time.

Mr. YOUNG of Alaska. Mr. Chairman, I yield 7 minutes to the gentleman from Arizona [Mr. RHODES].

Mr. RHODES. Mr. Chairman, what is it we are about here today? It is not the environment. Both bills are environmentally identical. They both add the same number of acres and the exact same acres to the wilderness system.

It is not the $40 million. We have conceded $40 million is not on the table. It might be of interest to Members, the Forest Service reported appropriation for fiscal 1990 actually allocates some $44 million to the Tongass for fiscal 1990. So if we are talking about saving $40 million, I think we should be a little bit careful because actually we are already spending more than $40 million on the Tongass as it is.

We are not talking about forest management practices, because under current circumstances the Tongass is managed the same way as any other national forest in the National Forest System.

What we are talking about, in my judgment, are two very important things. The first is the human factor, the 6,000 jobs. The Committee on Interior and Insular Affairs proponents will tell us that those jobs are not in danger, that there is provision in their bill to continue logging and to continue timbering on the Tongass. But the fact of the matter is provisions in their bill will make that continuation virtually impossible.

We should talk about buffer zones. We might be deluded into thinking that buffer zones are not really a very important thing. There are buffer zones included in the Agriculture Committee bill. But that bill limits the buffer zones to the major streams containing fishery assets.

The Interior and Insular Affairs Committee bill expands that to buffer zones not only on the major streams but also on the tributaries. As the gentleman from Washington [Mr. MORRISON] has pointed out, in a rain forest such as this, defining a tributary is virtually impossible. If we are to have a 100-foot buffer zone around the streams and their tributaries, and those buffer zones are to be maintained in their "natural, undisturbed forest condition," what does that mean? That means we cannot cross those buffer zones. What does that mean? It means we cannot get across those streams and those tributaries to get into areas that would otherwise be available for timbering and logging purposes.

The buffer zones not only protect the streams, but they also prevent access to otherwise harvestable timber.

□ 1150

And according to the U.S. Forest Service that language contained in the Interior bill would reduce the available harvestable timber to those areas of the Tongass that already are roaded and would yield a harvest of something in the neighborhood of 50 million board feet, not sufficient to maintain the industry, not sufficient to keep the mills open, not sufficient to support the 6,000 jobs.

Now there are three major industries in southeast Alaska, fishing, tourism, and timbering. It is said, and has been said repeatedly, that the termination of the 50-year contracts and the elimination or significant reduction of timbering would be directly offset by increases in jobs in tourism and in fishing. Statistically and economically that could well be true.

But how much comfort is that to 6,000 people who have made their careers and their lives out of the timber industry? Shall we say to those 6,000 people in southeast Alaska, "You are either going to have to leave or you are going to have to become a fisherman or a guide?" Tell that to the 6,000 people.

I think you will find that that is small comfort to them.

The agriculture bill will do everything that is environmentally desirable on the Tongass and it will likewise retain the ability of the third industry in southeast Alaska to survive.

What is the second major issue? It is the contracts. The Interior bill directs that the contracts be revoked, the agriculture bill directs that they be renegotiated.

As Mr. SMITH pointed out, one has already been renegotiated and the other one is in the process of being renegotiated and in fact is at the Justice Department for approval. It has gotten that far.

What does revocation of these contracts mean? It means—and I do not think there is any dispute about this—it means that the United States of America is liable to the contractors for the remaining value in those contracts.

The Congressional Budget Office estimates that the liability has a range of $20 to $200 million, but it adds a caveat, and that is, if the U.S. Court of Claims should determine, as it has in other cases, that an element of damages is the diminished value in the capital investment in the plants and in the ancillary facilities that the two companies have made in reliance upon those contracts, then there could be additional damages and, in the words of CBO, those damages cannot be calculated.

Now for those of us who still have some fiscal concerns, and I think that is probably most of us, this is indeed a very significant point.

Revocation of the contracts puts the United States at risk in amounts which cannot be calculated but which, at a minimum, at a bare minimum, would be $20 million and probably would be significantly in excess.

We have a substitute in the agriculture bill that accomplishes virtually everything that is desirable on the Tongass and does so in a way that is fiscally responsible for the United States and retains the opportunity for the third great industry in southeast Alaska to survive, and for those 6,000 persons who depend upon it, to continue to do so.

Mr. Chairman, I urge your support for the agriculture substitute.

Mr. VOLKMER. Mr. Chairman, I yield 4 minutes to the gentleman from Virginia [Mr. OLIN], who has devoted a long period of time and many hours to the Tongass and has been at all the hearings.

Mr. OLIN. I thank my chairman for yielding.

Mr. Chairman, I rise in support of the agriculture substitute for the Interior Committee bill.

I would like to compliment the chairman for his work on this bill. I think we have got a good, reasonable bill.

This bill balances the interests of those who would like to preserve the old-growth forest and rainforest of that area and those citizens who live up there in rural Alaska who count on a reasonable timbering activity to support themselves.

I would also like to commend the gentleman from Washington, the ranking member, for the work that he has done.

Years ago when this area in southern Alaska, I guess it is, was being considered as to what we ought to do there, a deal was struck, I think, between people who were anxious to turn the whole thing into wilderness and preserve every tree that was ever there and those that have some responsibility for the economic development of that area and the people that lived there, original natives in many cases.

It was agreed that there would be an arrangement made whereby a large wilderness area would be established and, in return for that, there would be a plan set up to establish a couple of pulp mills to provide jobs for people

and set up a basis under which the Forest Service could prepare forest sales that would support those mills.

It was a 50-year contract. We are now quite a few decades into that contract. We have a stable situation there with an awful lot of people working, 6,000 people.

It is true we have had some dfficulty with the contracts. The Forest Service has got themselves into a mode where they, in some cases, have prepared more timber sales than actually the market required, they got well ahead. That can be stopped.

They got into a habit of allowing the pulp mills to select which stands of timber they wanted to cut out of all this timber that was prepared. And that was not a good practice. That can be fixed.

They got into some problems during the early 1980's when the timber market was very poor, of very bad pricing. That has been fixed already. Prices that you see there are competitive on the market.

The real issue now is whether because of some things that can be fixed, we should go ahead and cancel these contracts with the unknown financial liability which, as has been said, CBO estimates somewhere between $20 million and $200 million, certainly ranging in the $100 million range, with all the disruption that is going to mean to those poor rural communities and people who have jobs there, or whether we renegotiate the contracts and correct the problems.

There is no doubt that these problems that exist that people are worried about could be corrected. We can establish a limit on the timber, we can get the Forest Service to conform to good forestry practices as they have elsewhere in the country. Certainly the provisions for buffer need to be very carefully worked out on the streams.

I just feel that any reasonable person who looks at this will recognize that this is not the time to take on an unknown risk; it is not the time to pass a bill that certainly the President is going to veto if it ever gets to him—and probably never will—and to adopt the Agriculture Department's substitute which is reasonable, well thought-through, sound, and would solve these problems.

Mr. YOUNG of Alaska. Mr. Chairman, may I inquire how much time I have remaining?

The CHAIRMAN. The gentleman from Alaska [Mr. YOUNG] has 11 minutes remaining.

Mr. YOUNG of Alaska. Mr. Chairman, I yield myself such time as I may consume.

□ 1200

Mr. Chairman, I would like to, at this time, bring attention to two comments made by all of the speakers in reference to wilderness. If we can, these are the wilderness areas already in existence in Alaska. The light areas here are already there. It is hard to tell, and the heavy, dark areas are the additions that are being proposed under both bills.

So we are not arguing the real wilderness. I think it is too much, I will be honest, in both bills. However, when I hear someone say we have to treat the Tongass like every other forest, if Members take 5.5 million acres of wilderness plus 1.8 acres of wilderness necessary, we will have more wilderness in that one area than we have in the rest of the United States. That is a lot of wilderness. I think it is too much.

However, when someone says we want to manage this like any other forests, already we have taken away the opportunity because of this vast area of wilderness.

The second thing I would like to bring out is the buffer zone. Now, unfortunately, there are people that have sponsored the gentleman from New York's bill that do not know what a buffer zone is, yet they sign under the bill. Or do they know what an anadromous fish is? For the listening audience, I should not refer to them, but my colleagues, an anadromous fish is a fish that returns to a stream, fresh water from salt water, spawns, and dies or returns. A steelhead returns, salmon dies, and fertilizes the streams and takes care of the young. That is an anadromous stream. A tributary, as the gentleman from Washington mentioned, cannot be defined, and I know why this was put into the Interior bill. It is a lawyer's heaven. A definition of tributary can be whatever is defined by the individual once he files suit against the Forest Service, if they allow an area to be logged. Then, not crossing the streams is another one. We will see, this is the harvesting area, and this is the harvested area, and this is a buffer zone. This is the buffer zone, a stream 100 feet here, and 100 feet here, which I happen to support, but when they say it will remain in a pristine stage, that means we cannot cross, so how do we harvest over here? Then we have a tributary that runs over here, so how are we going to get around? It is an impossibility, and that is where we get the 173. That is the Interior bill. That is not last year's bill.

Mr. Chairman, I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, the gentleman is aware that we will be accepting an amendment by Mr. JONTZ to make the buffer zone identical to the Agriculture amendment.

We disagree with how the Forest Service has characterized it, but the intent and the purpose of the amendment will be to make it the same.

Mr. YOUNG of Alaska. I am very pleased to hear that.

Mr. MILLER of California. The same amount of land will be set aside.

Mr. YOUNG of Alaska. Reclaiming my time, I yield to the gentleman from Missouri.

Mr. VOLKMER. Mr. Chairman, the amendment of the gentleman from Indiana is not identical to the Agriculture, and it is not the same.

Mr. YOUNG of Alaska. Mr. Chairman, may I say, again, though, the intent was there. That is to put the timber industry out of business in southeast Alaska and cost our people jobs. That is the intent of the Interior bill.

So I suggest to my friend, let Members vote for the Agriculture bill, a workable solution, that in fact is not threatened to be vetoed by the President, a bill that this House can accept and go back to the environmental communities and say it, in fact, sets aside more land than last year's bill, and I urge support.

Mr. Chairman, I yield 5 minutes to the gentleman from Alabama [Mr. HARRIS].

Mr. HARRIS. Mr. Chairman, I thank the gentleman for yielding time to me.

I rise in strong support of the Agriculture substitute to the Interior bill. I would like to talk about a few things that our bill does, and what it does not do.

We have heard talk about the management of the forest. Well, our bill would make needed changes in the management of the Tongass, and it would also protect the old growth forest, and it also would preserve 1.8 million acres of new wilderness, and it would eliminate automatic funding for sale timber.

While we are talking about that point, I would point out to our friends from the Committee on Interior and Insular Affairs, and for those that would support their position that if they, in fact, want to save the taxpayer money, one way to do it is to support our bill, because we have the best chance of getting our bill through to the President for his signature. We are talking about a savings of $40 million just in that regard.

Our bill would also require fair market value for the timber and would limit the timber sold on the forest, and putting the 4.5-billion per decade as a cap, where the Interior bill has no cap. What our bill would not do, it would not break the word of the Federal Government. I think that is important when we are talking about just willy-nilly breaking the contracts. Our bill will not expose the Government to damages for canceling these contracts. Our bill will not face a Presidential veto.

I would point out, too, that one thing our bill does not do, it does not present a pink slip to 6,000 Alaskan workers.

The bill that our substitute is nearly identical to, the bill that we heard talk about that passed this House last time 361 to 47, as you know, the other body never took the bill up. Our bill is a bipartisan bill to look at the problems, and when the witnesses came before our Committee on Agriculture, I probably asked as many questions as anyone about some of the management practices and other things that were going on the forest, and I am very concerned about it, but I think this is a measured approach, and an approach that we can see some action, and have already seen some action, but one of the companies having renegotiated, and the other in the stages of renegotiation as far as doing some things that we would like to see done. So we can see a better expenditure up there of the taxpayer's dollar.

I ask my colleagues to strongly support the Agriculture substitute, because we have a bill that can become law.

The CHAIRMAN. The gentleman from California [Mr. MILLER] has 19 minutes remaining.

Mr. MILLER of California. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. MRAZEK].

Mr. MRAZEK. Mr. Chairman, I think it is important to again clarify what this legislation is attempting to do.

I am proud to have first introduced the Tongass Timber Reform Act 4 years ago. I was pround to see it pass overwhelmingly on this floor last year with 361 Members in support, the majority of Democrats and Republicans in the House of Representatives.

Why did they vote to fundamental change the practices in the Tongass Forest? One reason we recognize that although it is part of the State of Alaska it is the largest national forest in the United States of America. It is a national resource. Perhaps it is a place of the most unparalleled and extraordinary beauty in the United States of America. It is the last and largest habitat for the grizzly bear and the bald eagle, the largest spawning grounds for salmon in the United States. It is a place where, right now, in natural coexistence, there is a timber industry and a tourism industry and a fishing industry. Tourism and fishing are rapidly replacing timber as a dominant industry in southeast Alaska, but certainly it is not the intention, my intention as the original sponsor of the Tongass Timber Reform Act, to drive the timber industry out of southeast Alaska.

Basically, this bill does three things: The bill repeals section 705. What is section 705? Section 705 sets up a unique circumstance in terms of the management of all the national forests in the United States. There are 155 national forests in the United States, and every single one of them, with the exception of the Tongass National Forest, comes under annual review by the U.S. Congress. Only the Tongass is different. In the Tongass, it is mandated that 450 million board feet of timber be harvested every year, regardless of whether there is any market for it. For the most part, there has not been a market for it. It is the only forest that has a mandated annual appropriation that has to be spent of $40 million to build roads to nowhere, to cut into salmon spawning grounds area, and destory habitat, even when there is no market for the timber that the Forest Service is supposed to harvest.

So our bill simply repeals section 705. It says each year Congress should spend as much as it feels is appropriate in the Tongass National Forest, and also remove the mandate that 450 million board feet of timber has to be harvested every year, regardless of whether there is a market.

□ 1210

Second, this bill does in fact cancel the contracts with the two major pulp companies in the Tongass, Alaska Pulp and Louisiana Pacific. We have heard some testimony here today to the effect that these two companies are going to be able to sue the United States of America for substantial amounts of money if these contracts are canceled. I would like to suggest to the Members some of the reasons why that will not happen.

One of them, very simply, relates to a case in Federal court called the Reed Brothers versus Ketchikan Pulp. What was that case? It was a case brought by an independent logger who was driven out of business by these two pulp companies through antitrust practices routinely undertaken by these two companies which already had these incredible sweetheart contracts.

Under the Reed Bros., the U.S. Federal court found that APC, Alaska Pulp, and Ketchikan Pulp, systematically violated the antitrust laws over a 16-year period, and they in fact recommended that the long-term contracts had been breached by these two companies. Well, if they breached those two contracts, they did not only breach them here but they have systematically violated a whole host of environmental laws in this country.

In 1989 the Alaska Department of Environmental Conservation documented their appalling record on noncompliance with environmental laws, they are presently being challenged by the EPA, and there are complaints currently in the Federal court for over 500 counts of permit violations. These two companies breached the contracts themselves, and according to the Congressional Research Service, we would not owe them a dime if we breached these contracts.

The CHAIRMAN. The time of the gentleman from New York [Mr. MRAZEK] has expired.

Mr. MILLER of California. Mr. Chairman, I yield 2 additional minutes to the gentleman from New York [Mr. MRAZEK].

Mr. MRAZEK. Mr. Chairman, if we cancel these contracts, it does not drive the timber industry out of southeast Alaska; it simply puts these two companies on the same playing field with, hopefully, more independent loggers who are Native Alaskans.

Who is the Alaska Pulp company? It is a Japanese-held corporation. No one is here to say today that the Japanese do not have a right to invest in corporations in the United States, but if my distinguished colleague, the gentleman from Alaska, is arguing on the basis of jobs for Alaskans——

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

Mr. MRAZEK. No, I will not yield. I only have an additional minute.

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

Mr. MRAZEK. I will not yield.

Mr. YOUNG of Alaska. Mr. Chairman, the gentleman used my name.

The CHAIRMAN. The gentleman says that he will not yield.

Mr. MRAZEK. I will not yield, Mr. Chairman.

Mr. YOUNG of Alaska. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman has stated he will not yield, and the gentleman does not yield for that purpose.

Mr. YOUNG of Alaska. But I have a parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman has not yielded to the gentleman from Alaska for the purpose of making a parliamentary inquiry. The gentleman from New York will proceed.

Mr. YOUNG of Alaska. Mr. Chairman, do I understand that I have to have permission from a Member on the floor before I can make a parliamentary inquiry of the Chairman?

The CHAIRMAN. Yes, if that Member has the floor.

Mr. YOUNG of Alaska. That is a new rule, Mr. Chairman.

Mr. MRAZEK. Mr. Chairman, I withdraw what I said when I referred to my friend as my distinguished colleague.

Going back to the point at hand, I would submit that these two companies have already breached the contracts, and that by terminating the contracts we are going to allow independent Alaskan loggers to again compete for contracts which right now

allow these two companies, including the Alaska Pulp company owned by the Japanese, which presently harvests the 500- and 600-year-old trees, cuts them into raw cants, and ships them back to the Pacific Rim so they can be milled into the finest timber in the world, the right to continue these operations. And we are giving them those trees for the price of a cheeseburger.

Mr. Chairman, $1.48 per thousand board feet is what those companies pay under these sweetheart contracts. The trees are worth a thousand dollars per thousand board feet, and I am submitting to my colleagues in the House that we will not incur any damages by our action. In this way we will allow these companies to compete on an open playing field, and we will continue to have a logging industry and a pulp industry in southeast Alaska.

Mr. Chairman, I urge my colleagues not to support a substitute which weakens the contract provisions in this bill.

The CHAIRMAN. For the information of the Members of the House, the Chair will point out that one Member cannot make a parliamentary inquiry when another Member is speaking without that Member's yielding. When the floor is not occupied, one may make a parliamentary inquiry of the Chair's discretion. The Chair wishes to point that out for the benefit of the gentleman from Alaska.

PARLIAMENTARY INQUIRY

Mr. YOUNG of Alaska. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. YOUNG of Alaska. Mr. Chairman, when the gentleman refers to another gentleman, is it not true that he can ask the Chair for a point of order or a parliamentary inquiry?

The CHAIRMAN. No. The Chair will state that at that point, if the gentleman wishes to have the gentleman's words taken down, he does not need the gentleman's permission.

Mr. YOUNG of Alaska. I would not do that, Mr. Chairman.

The CHAIRMAN. The gentleman has confused two points. A parliamentary inquiry requires the permission of the Member occupying the floor. An objection to his words and a request that they be taken down does not require his permission.

Mr. YOUNG of Alaska. Mr. Chairman, I appreciate the Chair's explanation, and I certainly would not take the words of the gentleman from New York down.

The CHAIRMAN. Does the gentleman have a further parliamentary inquiry?

Mr. YOUNG of Alaska. I do not, Mr. Speaker.

The CHAIRMAN. Then, if the gentleman wishes to proceed, he may yield time to himself.

Mr. YOUNG of Alaska. I would like to direct a comment to the gentleman, Mr. Chairman.

The CHAIRMAN. If the gentleman wishes to yield time to himself for the purpose of debate, he may do so.

Mr. YOUNG of Alaska. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, one of the mills is owned by the Japanese, it has been, and it still contributes a tremendous amount. In fact, all the labor force from America, Alaska, and the second one is owned by an American company. So let us not put both of them together.

But more than that—and I believe this has been mentioned twice—if in fact the contracts were canceled, it would probably be true that the owners of those mills would receive moneys from this Congress or from the taxpayers, but that does not help the workers, the towns, the cities, the schools, the churches, and all the infrastructure that they have depended on from those mills. So let us not loop everything into one legal package at the same time.

Frankly with reference to the Reed case, that case was heard 19 years ago, and it was found as the gentleman from New York stated. So he is correct in some of his statements. But that was a long time ago, and most of that has been rectified.

The gentleman from California talked about the Alaskan loggers. None of the Alaskan loggers I have checked with supports this bill.

Mr. MORRISON of Washington. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. Bosco].

Mr. BOSCO. Mr. Chairman, I thank the gentleman for yielding me this time period.

Mr. Chairman, I have thought a long time before taking a position on this bill, because I have great respect for the Committee on Interior and Insular Affairs, and particularly my colleague, the gentleman from California [Mr. MILLER]. But I represent the Redwood Region of California, there is always a demand in that area, as the Members might imagine, for more parks, more wilderness, and more set-asides. These issues are the most contentious that any Member of Congress can deal with.

But we also have to worry about jobs, and here I think that all of us should consider one principle, and that is that we should give some weight to the Member of Congress from that district. He is the one elected to represent the territory. He is the one elected to represent the people. Presumably, he would know what is best within their interests.

We have had a lot of commentary over the years about this balance between tourism, fishing, and timber. I have seen it all the time myself, and we have to work out those balances. But it never fails that the promises do not come through. I will give the Members an example.

In 1968 Congress authorized the Redwood Park. It was supposed to cost $100 million. We just finished the final tally on it, and it was $1.4 billion. It is the most expensive park in the world. And at the time people said.

> When you take a hundred thousand acres out of production, you won't lose jobs because the tourists will come up there in droves and you will get those jobs back.

Well, the sorry story is that the prediction was that we would have 1.6 million visitor days per year at the Redwood Park. Last year we had 45,000. The park has created no jobs for our area. It certainly has created a beautiful stand of redwoods, and I think in the years to come that will be valued by Americans.

Mr. Chairman, I think people would make a mistake to go for these euphoric predictions of how these jobs in the timber industry will be replaced by jobs that are predicted in the tourist industry. Right now this bill will take 60 percent of the jobs away from the people who working that forest. Right now in California we are faced with the same thing with the Spotted Owl, with the court injunctions that have been placed on Washington and Oregon and that have been extended to us by Government regulation. So we now face a 60-percent reduction in the productivity of our forests.

Mr. Chairman, I can tell the gentleman that that does mean jobs because I know the people, I know their names, I know the families who are involved, and I do not want to see them lose their jobs. I am not willing either to visit on some other Member of Congress the same exact thing.

□ 1220

Mr. Chairman, I support the compromise of the Committee on Agriculture. I think it is a good balance between protecting the environment and protecting the jobs.

Mr. VOLKMER. Mr. Chairman, I yield 3½ minutes to the gentleman from Indiana [Mr. JONTZ].

Mr. JONTZ. Mr. Chairman, I want to compliment the chairman of our subcommittee and the ranking minority member for the effort they have put into the substitute of the Committee on Agriculture, and I want to thank my chairman also for yielding me this time, however I regret very much that I cannot reach the same conclusions about the merits of the substitute that my chairman and some of my other colleagues on the Committee on Agriculture have reached.

Mr. Chairman, I really think that the substantive differences between the version of the Committee on Agri-

culture and the version of the Committee on Interior and Insular Affairs boils down to the contracts. The fisheries buffer zone issue can be resolved, and, in fact, I do plan to offer an amendment to the version of the Committee on Interior and Insular Affairs in the event the version of the Committee on Agriculture is defeated to resolve that matter.

Mr. Chairman, I compliment the chairman of the Subcommittee on Forests, Family Farms, and Energy for taking a creative approach to the 4.5 billion target, and I honestly believe the substantive differences between the two versions are really not that great, but, when we get down to the contracts, there is a very significant difference, and, having spent hours in the Subcommittee on Forests, Family Farms, and Energy listening to the testimony, I think one can reach no other conclusion other than the contracts must be terminated.

Mr. Chairman, the Forest Service officials told us that we are selling high-quality, old-growth trees for next to nothing prices at a time when the market for these trees is at its peak. When a thousand board feet of prime Sitka spruce is worth almost $800 on the Japanese market, the Forest Service testified the Japanese are paying us only $2.29 for the same amount of this high-quality spruce. We heard the Forest Service tell us that because two giant corporations have monopolized logging operations on the Tongass, there is not even enough competition to adequately determine what the value of the Tongass trees is. We listened to Alaskan fish and game biologists telling us that the most viable fish and wildlife habitat on the Tongass is being destroyed at a rapid rate, and we also heard residents of southeast Alaska in the tourism and commercial fishing industries telling us their livelihoods are threatened by the practices on the Tongass and those 50-year contracts.

Mr. Chairman, if the problem with these problems had only been made clearer, I could certainly applaud the effort of my chairman and the Committee on Agriculture in their approach to have the contracts renegotiated, but the truth is the Congress and the administration have long been aware of the adverse impact of the contracts and the abuses which they have brought about. The Forest Service itself investigated the problems back in the 1970's, and a review team at that time recommended changes which were never made.

Congress has been aware of the problems. We directed the Forest Service to bring the long-term contracts in line with the National Forest Management Act. The House of Representatives last year voted to renegotiate the contracts, but the Forest Service has not responded, and the problems of the contracts continue today.

Mr. Chairman, the Forest Service is not responding. The only solution to these problems is to terminate the contracts and to stop and start over, and I think that to take any other course of action would really be to fool ourselves as to whether we were really resolving the problems on the Tongass National Forest.

Mr. MILLER of Washington. Mr. Chairman, I yield 3½ minutes to the gentleman from Oregon [Mr. DEFAZIO].

Mr. DEFAZIO. Mr. Chairman, there has been a lot of talk about other forests and the relationship. Let us talk a little bit about the situation of some other forests in the lower 48.

Mr. Chairman, last week the Willamette National Forest in my Eugene, OR, held a timber auction. Mill owners and loggers came to the auction to bid against, bid against one another, for blackened trees killed by a fire last summer deteriorating on the stump, not prime, old-growth Sitka spruce, trees killed by fire. These trees sold for prices of over $600 per thousand board feet, more than 100 times the amount that these two Tongass mills pay under their guaranteed profit contracts. The mills in Oregon paid those prices because they have to compete for Forest Service timber. No one guarantees them a profit. No one guarantees them a timber price.

In fact, Mr. Chairman, these days a secure timber supply is the last thing Oregon mills can depend on. Unlike Oregon's mills, the two giant Tongass mills do not have to worry about competition. They ran their competitors out of business in a systematic effort that unltimately resulted in antitrust convictions against them. The Forest Service later found the actions cost the taxpayers of the United States between $63 and $83 million in lost stumpage fees.

Mr. Chairman, it gets even worse. When the Sitka mill, the one owned by the Japanese conglomerate, decided that the Forest Service appraisal for timber did not quite provide enough margin to satisfy their stockholders in Japan, they took the United States to court. They demanded that the Forest Service give them the timber for a guaranteed profit.

I say to my colleagues, "Wouldn't it be nice if United States firms could be guaranteed a profit like the Japanese firms?"

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. DEFAZIO. Mr. Chairman, I will not yield. I have very limited time; I am sorry.

Mr. Chairman, I guess they would argue that, if they still could not make money, we should pay them to cut our timber. Alaska Pulp, Japanese corporations, $1.48 per million board for a thousand-board-foot average exporting minimally processed logs and pulp.

I posit that the same amount of timber can be harvested off this forest and employ more people if we shed our colonial status and we started selling the Japanese finished products, paper and lumber, instead of nearly raw logs and pulp.

These contracts have allowed these two mills to block independent attempts to set up a truly stable and responsible timber industry in southeast Alaska. They have used the terms of the contracts to squander the timber resource of the Tongass. They have broken the unions that fought for decent wages and safe working conditions for their employees.

Mr. Chairman, I have a hard time explaining to my constituents why our mills must choose between paying exorbitant prices for Federal timber contracts and closure while these two gluttonous mills, one Japanese-owned, the other infamous for its union-busting activities, get all the timber they need for the price of hamburger.

Mr. Chairman, I urge my colleagues to support the version of the Committee on Interior and Insular Affairs of H.R. 987 and restore fairness to the Alaskan timber industry.

Mr. MILLER or California. Mr. Chairman, I yield 3 minutes to the gentleman from Connecticut [Mr. GEJDENSON].

Mr. GEJDENSON. Mr. Chairman, I would like to commend the gentleman from California [Mr. MILLER] for his great efforts on this issue and the gentleman from Alaska [Mr. YOUNG] who has worked so hard on what is obviously a very difficult situation in his own State where the people are divided to some degree, and it is not an easy issue for him to address, and I think he has done an excellent job in attempting to reach compromise, and, frankly, without the interference of the other body I think we may have been able to reach some agreement.

Now I would like to focus in on one small area of what we are going to be doing today. I think that it is a great piece of legislation that the chairman, the gentleman from California [Mr. MILLER] has put together.

As others have pointed out, these are sweetheart deals that have not benefited southeast Alaska. The United States taxpayers or the people of that region, and Florian Siever testified before the U.S. House of Representatives, and I think without any doubt he was fired because of that testimony. The company coming before the committee in defense in their action, said they did not fire Siever because he testified before Congress even though it was difficult to draw any other conclusion. They fired Siever because he sent a letter to the editor of

his local paper that was never even published.

Now that is a small town, a mill town, mentality that never existed in New England, I would hope, even in the worst days of the woolen mills. But I would commend the gentleman from California [Mr. MILLER], the chairman, for one particular provision of this bill, and I have with me my statement during the 100th Congress on this very piece of legislation.

Mr. Chairman, in my one complaint on that bill that we had in the 100th Congress, it was that it did not address the issue of the contracts because, unless we address the issues of the contracts, nothing will change in the Tongass. Now these two contracts should have ended long ago. Congress mandated their renegotiation, and the Forest Service and the Agriculture Departments failed to do so, and we find ourselves here today having spent close to a third of a billion dollars because of these two contracts for companies who have been noncompetitive in their activity, squeezing out the small loggers and small operations, companies that have ignored the environmental concerns of southeast Alaskans by the State's own agency that dealt with environmental issues. It is out of compliance in clean air, clean water, and a number of other areas, a company that has hurt its workers, that has reduced its work force and has, without any question, I think, taken advantage of what was a very generous offer to begin with from the American taxpayers.

□ 1230

It is long enough that the American taxpayers subsidize and give this sweetheart deal to these two companies in Southeast Alaska. I commend the chairman, the gentleman from California [Mr. MILLER] for his yeoman effort on this issue.

Mr. Chairman, I rise today in strong support of H.R. 987, the "Tongass Timber Reform Act." I urge my colleagues on both sides of the aisle to support this legislation and oppose any amendments which will weaken this bill.

This legislation will go a long way to returning fiscal control to the Tongass and returning the management and control of the Tongass National Forest to the Forest Service and the American people.

The Tongass National Forest is the only national forest that is immune from the annual congressional appropriations process, which oversees the Forest Service's determination of how much timber should be cut. Instead, timber is sold to holders of long-term contracts at embarrassingly low prices, resulting in tremendous loss of revenue to the Federal Treasury. Between 1980 and 1986, the Government lost in excess of $250 million in timber revenues for the Tongass. The taxpayers of this country lose 98 cents on every $1 that we appropriate to the Forest Service for Tongass timber sales. The General Accounting Office found that the Forest Service has spent $131 million to prepare timber sales that are not needed to meet current demand.

I am especially pleased that this legislation includes provisions that will terminate the two 50-year "sweetheart contracts" and instead replace them with standard, competitive bid, short-term sales contracts. Living up to a contract is a two-way street. And while opponents of this legislation speak of protecting jobs in Alaska, it seems clear that the contracts which were intended to protect jobs have not done so. The Federal Government has lost over a third of $1 billion in the Tongass National Forest in the past 9 years. This unappropriated funding was made available in a large part, to protect the jobs of the people of southeastern Alaska. However in 1988, the General Accounting Office reported that the employment rates in the Tongass timber industry have declined by more than half, from about 2,700 timber jobs in 1980 to about 1,781 jobs in 1988 despite the existence of the contracts and the permanent appropriations to fund timber operations.

The two 50-year timber contracts held by the Alaska Pulp Corp. [APC] and Ketchikan Pulp Co. [KPC] have resulted in the Forest Service's losing control over managed cutting in the Tongass. These two companies are largely deciding where and when they will cut and are taking the best quality timber from the forest. According to the former chief economist of the Forest Service in Alaska, this practice will destroy the economic viability of the Tongass National Forest within the next 5 to 10 years.

Mr. Chairman, in the 100th Congress, while considering similar legislation, I had the opportunity to chair hearings on the Tongass in the Interior Committee. One of the witnesses, Florian Sever, a millwright for the Alaska Pulp Corp. [APC] at its mill in Sitka, AK, testified in support of the Tongass Timber Reform Act and advocated the termination of the two 50-year timber sale contracts; one of which APC is a party to. Just 6 weeks after this testimony, Mr. Sever was fired. Mr. Sever had worked at the mill for 10 years and had received several favorable letters of recommendation from APC management. The objective and independent testimony of a National Labor Relations Board examiner made it clear that one of the principle reasons given by APC for firing Mr. Sever was his testimony on this legislation. Based on this information and the report that was issued by the Interior Subcommittee on Oversight and Investigations, it seems clear that the only people who can be hired are those who agree with the company or those who are willing to keep quiet about their objections to APC policy. The third of $1 billion paid out by the Federal Government to protect jobs in Tongass is not intended to pay only for employees who agree with the company's policy, nor is it intended to subsidize the squelching of free speech.

Though Mr. Sever's claims are now before the courts and perhaps he can get some justice, not so for the members of the labor unions, which was ruthlessly broken and decertified during recent strikes at the mills. Despite the contractual requirement that workers in the mill be hired from Alaska, 40 percent of this region's timber industry labor force was hired from other places—while people in Sitka and Ketchikan sit idle.

These contracts and the other funds used to promote the timber industry in the Tongass to protect jobs are not being used for that purpose. In a letter from Jesse Jones, president of the United Paperworkers International Union of Sitka, AK, expressing the union's support for H.R. 987 and the provisions for termination of the long-term contracts, Mr. Jones says:

The basic purpose underlying the 50-year contracts was to provide stable, long-term employment for the permanent residents of southeast Alaska. The long-term contracts that were meant to help the people have ultimately caused them the greatest of harm. APC wielding the power generated by their ill-conceived 50-year contract has seen fit to punish anyone who asks for some sign of fair play or honest bargaining.

In addition to the treatment of Florian Sever by APC, the two recipients of these contracts have engaged in a series of actions which have demonstrated they are not deserving of the unique agreement that the Government has given them. In 1981, a Federal court found APC and KPC guilty of 15 years of anticompetitive practices such as price fixing and collusive bidding which drove out small independent operators. The Forest Service found that the two companies defrauded the Government of between $65 and $83 million between 1959–75.

In addition, the environmental records of these companies has been terrible. The Alaska Department of Environmental Conservation also reports that these two mills have been cited as not in compliance with the Clean Air Act for their air pollution controls. They are not in compliance with water pollution control programs for effluent limit discharges and they are in violation of their other State solid and hazardous waste permits. The Environmental Protection Agency also called the Ketchikan pulp mill one of the top five air pollution threats to public health on the entire west coast.

Opponents of H.R. 987 have expressed their concern that if these contracts are terminated, many jobs will be lost because the mills will be closed. We have been hearing these threats for years. Every time an issue arises in the Tongass, these people threaten to leave town. When they were told that they would have to comply with the Clean Air Act and the Clean Water Act, they threatened to close their mills. But these companies are still in business in the Tongass. And these mills will not be put out of business. Quite simply, they will put on the same level playing field as small lumber companies, who must bid for short-term timber contracts.

In the 100th Congress, similar legislation was passed which did not call for the termination of the contracts but was an attempt to give the Forest Service and the timber companies a final chance to negotiate these long-term contracts to establish stumpage rates that are more closely in line with those in the short-term contracts. The Forest Service and the timber companies were given opportunities to demonstrate their good faith to create a more level playing field. This was to be their last chance. However, renegotiation does not

work in the Tongass. In 1976, 13 years ago, we ordered the Forest Service to renegotiate the 50-year contracts to make them substantially the same as short-term timber sales. This was not done. In 1981, 8 years ago, the Forest Service issued a report recommending that the 50-year contracts be renegotiated. This was not done. And last year, after arguing that they needed one last chance to resolve this problem through bilateral agreement, we passed a bill by a vote of 361 to 47 that gave the Forest Service the chance it requested. Again, they accomplished nothing. As you now know, the 50-year contracts still differ greatly from normal Forest Service timber sales.

The Tongass Timber Reform Act provides us with an opportunity to protect one of the last remnants of a unique and valuable resource in this old growth forest. We have the opportunity to save the taxpayer millions of dollars in lost revenues and Federal subsidies. We also have an opportunity to protect the economy of the Tongass National Forest, by ensuring that this forest is managed properly, ending the over harvesting of this valuable resource. Once again, I encourage my colleagues to join me in supporting the Tongass Timber Reform Act to bring fiscal sanity to our policy toward this precious environmental and economic resource.

Mr. PETRI. Mr. Chairman, will the gentleman yield?

Mr. GEJDENSON. I am happy to yield to the gentleman from Wisconsin.

Mr. PETRI. Mr. Chairman, only rarely do we see conservation legislation that saves Federal tax dollars, has broad bipartisan congressional support, and is supported by a diverse coalition of organizations. H.R. 987 is such a bill. I strongly urge passage of the Interior version of the Tongass Timber Reform Act.

H.R. 987 will stop a hemorrhaging of the Federal Treasury, and provide much needed oversight to the Tongass Timber Program.

In this body we frequently talk about waste in Government. We use numbers in the millions, and billions. But it is easy to lose sight of what those numbers really mean. On the Tongass we are talking about huge trees, abundant fish and wildlife, and a way of life unique in America. That is what has brought such a diverse coalition of groups around to the view that the Tongass National Forest is being mismanaged.

For example, it doesn't make much sense to the thriving tourist industry that the Forest Service sells prime Sitka spruce trees for $2 to the Japanese, less than it costs for a Tongass map. It doesn't make much sense to the profitable fishing industry that the Forest Service spends $4 million to log a salmon stream that produces half a million dollars' worth of fish every year and only has $40,000 worth of trees on a once in a century schedule. And it doesn't make much sense to the National Taxpayers Union that the Forest Service spends over $50 million each year for a program that only returns a couple of cents on the dollar. And you know, Mr. Chairman, none of this makes much sense to me either.

That is one reason that 155 Members of Congress have cosponsored the Tongass Timber Reform Act. And that is one reason this legislation has been endorsed by liberal and conservative politicians, labor groups, and conservation groups, scientific organizations, and the National Taxpayers Union.

Mr. Chairman, the Interior version of H.R. 987 is legislation that is good for Alaska and good for the budget. I urge its passage.

Mr. MORRISON of Washington. Mr. Chairman, I yield 1 minute to the gentlewoman from Rhode Island [Ms. SCHNEIDER].

Ms. SCHNEIDER. Mr. Chairman, we have before us an outstanding opportunity to: First, save money for the taxpayers, second, preserve an irreplaceable natural heritage of immense value to southeast Alaska's communities, and third, make an important statement on global warming prevention.

SAVE MONEY FOR TAXPAYERS

The National Taxpayers Union has said it, and the Congressional Budget Office has verified it: This bill will save more than $200 million over the next 5 years.

In sharp contrast, business as usual will result in the deliberate waste of more than half a billion taxpayer dollars over the next two decades.

PRESERVE AN IRREPLACEABLE NATURAL HERITAGE

The taxpayers are not the only losers in this fiscal disaster. The selling off of 800-year-old trees for the price of $2 ice cream bars is also an economic disaster and job loser for the communities in southeast Alaska who make their livings promoting tourism, recreation, and commercial fishing in this unique fish and wildlife habitat.

Americans place a high value on our natural heritage of pristine wilderness. This value translates into sustained incomes for southeast Alaskan businesses from tourism far in excess of the brief jobs and profits to be made by clearcutting this old growth.

Finally, I would like to share with my colleagues, 135 of whom are current cosponsors of my legislation, the Global Warming Prevention Act, H.R. 1078, that the provisions before us are largely contained in the global warming bill.

It is incumbent upon the United States, which has been quick to criticize the flooding, cutting, and burning of tropical forests in developing countries, to first get its own house in order.

We can hardly call upon these other nations to quit subsidizing the destruction of forests, when we are engaged in the very same process. Forest loss accounts for 10 to 20 percent of greenhouse gas emissions.

Ending the economic disaster in the Tongass National Forest is a necessary and vital step, among many, that we must take to prevent global warming. Doing so will send a clear message to other nations to do likewise with their forests.

Mr. YOUNG of Alaska. Mr. Chairman, I yield 3 minutes to the gentleman from Oregon [Mr. DENNY SMITH].

Mr. DENNY SMITH. Mr. Chairman, I have served in this body now this is my ninth year. I have seen us continuously, constantly eat away at the resource base that we use in this country to provide timber.

In my own State in 1983 we doubled the number of acres to 2.4 million acres in that State. Today because of the protectionist radical environmentalist community, we are in fact about ready to lose the entire logging capability in the State of Oregon.

Many people laugh about this and think this is a wonderful opportunity to save this forest, but in Oregon we could have 5 billion board feet logged in perpetuity. Perpetuity means forever. That is because reforestation allows this resource to be renewed. Unfortuantely, because of a very strong lobby by the protectionist part of our society we are already importing 30 percent of our lumber and chip needs. So with this bill we are going to further hamper our ability to operate.

In Alaska already we have 57 million acres of wilderness. In Alaska we have 500,000 people. Now, it seems we are not going to do too much damage to the environment even if every one of those people did their darndest to chop all the trees down; but the fact of the matter is that we have a renewable resource here.

This is a bad bill. It will cost jobs. If the Interior Committee bill passes, the President intends to veto it, as well he should.

This is going to affect the balance of payments. It is going to affect the opportunity of Alaskan children to enjoy good schools, good education and good opportunity in the future. What we are doing is sentencing the children of Alaska to do something else, and more than likely they will have to leave Alaska, go to some other part of our country or the world to find jobs. This is strictly a jobs bill. It is not preserving anything. Trees have a life span. They are born, they grow and they die. They either die because of bugs or fires or the wind blowing them down. Why not use these trees intelligently for the chip needs, for conventional lumber needs? This is going to drive the cost of homes in this country up. It is not going to help the average citizen. It is not going to help the Treasury.

There have been many arguments on this. I think the gentleman from northern California [Mr. Bosco] made a very good point in what had occurred in the wilderness area or the national park that surrounds the Redwoods National Forest. We have seen a deterioration in these areas. People

are not able to make a living off the tourists.

Defeat this bill and vote for the Agriculture Committee substitute.

Mr. VOLKMER. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I have asked to revise and extend my remarks at this point and also on the previous remarks made by me. I do so for the purpose of correcting some statements made on the floor about what the pulp mills of Alaska are paying for the timber up there. We have heard figures anywhere from a dollar-and-a-half to $2.

Well, the Ketchikan Pulp Co., in January paid $574.69 for 1,000 board feet for Alaskan yellow cedar, not $2.

In June they were paying $568.94 for 1,000 board feet.

The average for all, including hemlock, spruce cedar and red cedar for the first 6 months is $72; for the second 6 months it is $96. So we are making money through negotiations.

Mr. Chairman, I yield the balance of my time to the gentleman from Texas [Mr. DE LA GARZA] the chairman of the Agriculture Committee, who has worked very hard on this bill.

Mr. MORRISON of Washington. Mr. Chairman, I yield an additional 5 minutes of my time also to the gentleman from Texas [Mr. DE LA GARZA].

The CHAIRMAN. The gentleman from Texas [Mr. DE LA GARZA] is recognized for a total of 12½ minutes.

Mr. DE LA GARZA. Mr. Chairman, I thank both gentlemen for yielding me this time.

Mr. Chairman, let me say that both committees, and I am sure all the Members involved in this endeavor, have one thing in common and that is that we are looking toward the conservation, the preservation, and the protection of our national forests. We would like those forests to remain as much in their primative stage as we can with caution utilize them and leave them so that they will be there beyond our lifetimes, our children and their children's lifetimes; but then beyond that, this issue also brings up great emotion. In such an emotional stage, many Members and any individual will have a tendency to give his or her own version. This has happened here today.

Regretfully, I must say that it seems like every speaker has used his own figures, and the figures do not jibe, even being hundreds of dollars apart, so I would say disregard the figures and look at what we have before us.

One thing that has been noted and I repeat, that a bill was approved by this House 300 and some to 47 last year. That bill is basically what the Agriculture Committee substitute is, with some changes, not identical, although I have the identical bill that I would be prepared to offer as a substitute so that we might again vote for what we passed last year, that everyone has said what a great thing we did. So if that is what we want to do, I have that amendment available.

What we need now is to see where we are. What does the Agriculture bill do? It makes needed changes in the management of the Tongass, protects old growth forests, preserves 1.8 million acres of new wilderness, eliminate automatic funding to sell timber, require fair market value for timber, limit timber sold on the forest.

□ 1240

Members have now heard the figures and have heard different amounts quoted, but the fact is, let me say, we need to address this; we need to address this issue, because we need to go to the depth and the breadth of it, and it needs to be addressed but in a separate area than what we are dealing with now, because the Forest Service is losing money in the northern region, region 1. It is losing money in the Rocky Mountain region, region 2. It is losing money in the intermountain region, region 4. It is losing money in the eastern region, region 9, and it is losing money in Alaska, region 8. It is not only like it is only losing money in Alaska.

It is making some money in the largest amount, in the Pacific Northwest that was mentioned here. But yellow timber is selling in Alaska for actually more than what is quoted here in the Northwest, so do not be confused with that issue. The Forest Service is losing money in more than half of the regions, and that is a fact.

What would the Agriculture bill not do? It would not break contracts, and I do not care whether it is Japanese, from Timbuktu or Mars, the fact is that that is American forest that belongs to the people of the United States, and those in the world that come, but there are those who want to preserve and protect in its pristine stage, but if we have no jobs, then we have no people there, and we would have only the wildlife; yes, the tourists would come. I say this respectfully. I went to the Kenai River in Alaska, and there were the tourists, and one could not walk after the plastic bottles and the tin cans, the bottles. What the tourists do is they come and flip their matches and burn our forests. That is what they do. They do not leave all of these millions of dollars.

But we cannot have it in its pristine stage unless man is there, and what we are saying is that man should be there in an environment deserving the protection, but the careful utilization, and we can do both, and this bill does both. That is the beauty of the Agriculture bill. We keep the integrity, the word, of the U.S. Government. We do not go and abridge contracts. Yes, we can do it if it is for the public interest. I do not think this is for the public interest when we lose 6,000 jobs, badly needed in America. That is not the public interest.

If it were to preserve it in its pristine stage forever, fine, but the Interior bill does not do that. We do it better, balancing. Everything we do, my colleagues, is a balancing act. Legislation is the art of the possible, what is possible this day, this hour, this minute, and we need to balance. We need to. Yes, many times we have to legislate with the heart. We cannot leave it solely to the emotion. We cannot deal in a vacuum solely with fact, but even as to fact, as to one of my colleagues earlier today, we said, "The figures are wrong." He said, "I got it from the report." "Who wrote the report?" "I do not know who wrote the report." It was not written by the Members. Usually it is done by staff in cooperation with the Members. That is the system here, and that is the way all of us write our reports, but reports echo the thinking of the authors, and if the author had wrong figures, the report will have wrong figures. No question about that.

I am not challenging that. That is just fact, because we have heard from A to Z, and if someone was not here and he would read the transcript, he could not figure out heads or tails on this debate, what is the timber selling for, I do not know. I have heard from 40 cents to 600-some dollars that a Japanese group owns, one of the companies, and that should be of no consequence to us. Who gets the jobs?

We have managed so the contracts have been renegotiated. It has been said, and I heard it, that there has been no renegotiation. There has been renegotiation. One has been renegotiated. Price has gone up. It is going better. One is just about to be culminated, and that, again, will give better prices.

Did the negotiators do a good job? I do not know. They may have or they may not have, but the word and the integrity of the Government of the United States should be worth something on the floor of this House.

The Agriculture bill protects that, but yet protects the interest, the economic interest, of the people of the United States, of the taxpayers. We do that. It does that.

It protects the interest of those who want to preserve as best we can that area. It protects that. When we put it all together, the agriculture bill protects the integrity and the word of the Government of the United States, it commands the Forest Service to adhere to certain standards for the conservation and the preservation, it commands the Forest Service to work with the renegotiation, and it keeps in mind what all of us are trying to do, that as best we can within the human frailties and the failure of the mind now and then when it comes to figures

in debate, that we do as best we can what we all intend to do, which is to preserve the integrity of this great forest. It can be done, but it cannot and should not be done on the backs of 6,000 people who make their living there. That they work for a Japanese owner is of no consequence. It is the 6,000 Americans who make their living, and I would dare say who love that forest, who would not go flipping a match, who would not go throwing a plastic bottle, who would not be littering tin cans.

Mr. Chairman, I would say that anyone who works in the forest works like farmers, farmers on the land, because he loves that land. I come from the land, and there is a saying in south Texas, an old Spanish saying, "You go on the land, you do not feel the vibration, forget it. It is not going to grow for you. You are not a farmer." That is what the great forests do to people and those who work with them and those who manage them. If one does not feel the vibration when awed by the majesty of those trees, one does not belong there. That is why people work there.

That is why I am telling the Members to support the Agriculture bill, so those who feel the vibration and the love for those majestic trees and want to work them and harvest, but with care and with responsibility, which can be done, and the Committee on Agriculture version does that, harvest in a responsible way, protect for the best interests of the future, keep American jobs and yet that we do something, as it says up there, worthy that we might be remembered by, that we preserve jobs, that we allow the Member representing the area to speak for his people, that we protected and kept the word of the Government of the United States, and that we kept the faith and kept that great forest for our children and their children to enjoy in the years to come.

Mr. MILLER of California. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Chairman, I rise in strong support of H.R. 987, as reported from the Interior Committee. It has been well thought out and crafted to provide a much needed and comprehensive improvement for the management of the Tongass National Forest.

Mr. Chairman, a little less than 1 year ago, the House passed a similar but less far-reaching bill dealing with this same subject. It unfortunately was not acted on by the Senate, and so we are again called upon to address this important subject.

As I said last year, the Tongass is being mismanaged now. There are two causes of this. The first is a bad provision of law; namely, the language in the Alaska Lands Act that mandates a timber-supply quota of 4.5 billion board feet per decade from the Tongass and that removes from the usual congressional scrutiny the flow of money to the Forest Service activities in the Tongass.

I took part in the shaping of the Alaska Lands Act, and I well recall that when this provision was being debated, Agriculture Secretary Bob Bergland, a Minnesotan, called it a mandate to overcut the Tongass, and he was right, because it skews the planning process and distorts management of the Tongass at the expense of noncommodity uses of that precious temperate zone rain forest—one of the few such forests—and the many species that depend on it.

The House finally accepted this provision of the Senate's Alaska lands bill because the Senate simply left us no choice. The alternative was to have no Alaska Lands Act, which was totally unacceptable after the years of hard work that went into that act. But this provision was wrong then and is wrong today. It should be repealed and H.R. 987 rightly repeals the Tongass mandate to overcut.

The second basic problem in the Tongass is even older. The two long-term contracts are relics of another time. As the House bill last year stated, the contracts prevent proper management of the Tongass, they have undermined fair competition in the southeast Alaska timber industry, and they fail to provide a proper financial return to the United States.

Last year, I joined in supporting the House-passed Tongass reform bill, which would have merely directed the Secretary of Agriculture to change the contracts to the extent the Secretary could do that unilaterally, and then would have required the Secretary to negotiate with the contract holders to attempt to achieve all further needed changes. In my opinion, that was a reasonable, moderate approach.

In fact, perhaps it was too moderate. After all, as I said at that time, the repeated and extensive hearings on the Tongass held by the Interior Committee since 1980 have provided plenty of evidence that the contracts should properly be terminated without further delay, in the public interest.

Had last year's House-passed bill become law, the contract holders would have been given a chance to correct the problems those contracts now cause. Unfortunately, the Senate did not see fit to act on last year's House bill, and certainly the holders of the long-term contracts were outspoken in their opposition to it. Under these circumstances, I believe that we are completely justified in moving on, and providing for outright cancellation of these two contracts.

Mr. Chairman, some opponents of the bill argue that canceling these contracts might expose the United States to large damages in legal actions by the contract holders. Comparison has been made to the payments made pursuant to the Redwoods National Park legislation. Of course, that comparison is completely wrong, because that was a situation involving the acquisition of valuable private lands—and here all the lands affected are in public ownership.

Of course, there is precedent for canceling timber contracts. One precedent is the boundary waters canoe legislation, involving national forest lands in my own State of Minnesota, which was developed in our committee. I am very familiar with that legislation, and with the litigation that grew out of it. That litigation is directly relevant to today's debate about the Tongass, because it demonstrates that when timber contracts are canceled for broad public policy purposes, there is no liability and no damages are awarded that would be paid out of the Federal treasury.

I think that the record is absolutely clear that cancellation of the two Tongass timber contracts would serve the public interest. It would promote sound management of the forest in accordance with the National Forest Management Act. It certainly would promote protection of important parts of the nationally significant old-growth timber on the Tongass, and the many values associated with such timber. So, I think it is clear, under the boundary waters precedent, that cancellation of these contracts for these reasons will not result in awards of large amounts of damages, if any at all.

Furthermore, the contract holders affected by this bill would be even better off than were the contract holders affected by the boundary waters legislation. Seven contracts were involved there, as opposed to two here, and the companies who now have these Tongass contracts would continue to have ready access to national forest timber from the Tongass, through normal Forest Service sales programs, which was not the case in the boundary waters area.

So, Mr. Chairman, I think that we should not be misled by the arguments of some that somehow the Interior Committee bill will expose the Treasury to heavy damages. It will not.

Mr. Chairman, enough time has been spent in discussions about this legislation. The time has come to act. I commend the leadership of Chairman UDALL and the gentleman from California [Mr. MILLER], on this matter, and I urge the passage of H.R. 987 as reported by the Committee on Interior and Insular Affairs.

□ 1250

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. VENTO. I yield to the gentleman from Missouri.

Mr. VOLKMER. Mr. Chairman, I would say to the gentleman from Minnesota that I corrected myself when it was pointed out to me that the $500 sum was per thousand board feet, not per million, and I corrected myself.

Mr. MILLER of California. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. WOLPE].

Mr. WOLPE. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, H.R. 987, the "Tongass Timber Reform Act", as crafted by the Interior Committee, is legislation long overdue, and I want to commend the gentleman from New York [Mr. MRAZEK] and the gentleman from California [Mr. MILLER] for their leadership in this effort on behalf of the American taxpayer. When I cosponsored the original bill last year, it was clear that the Federal Government was losing vast sums of money by exempting Tongass from the congressional appropriation process. It was equally evident that two timber barons in Alaska were harvesting the rich rewards of a long-term, negotiated "sweetheart deal" highlighted by 50-year exclusive contracts designed to eliminate competition and reduce timber revenue to the Federal Government. Until we pass legislation to close the bank on the Alaskan timber barons, the till remains open. I urge my colleagues to support H.R. 987 as reported out by the Interior Committee.

The CHAIRMAN. The gentleman from Alaska [Mr. YOUNG] has 2½ minutes remaining, the gentleman from Washington [Mr. MORRISON] has 2 minutes remaining, and the gentleman from California [Mr. MILLER] has 1½ minutes remaining. The gentleman from California has the right to close debate.

Mr. MORRISON of Washington. Mr. Chairman, I yield myself my remaining minutes to try to correct the RECORD a little on some of these financial figures.

I have in my hand the sheet from the General Accounting Office for fiscal year 1988. There are two pages listing the forests of the United States in our Forest Service system.

On page 1 are those forests that break even. Two of the areas of the Tongass were above the dollars returned for dollars invested in the 1988 season. We have to be a little cautious because a number of folks standing here in the well criticized the Tongass for the expenses involved, and some of those Members have forests that are dramatically below the return that the Tongass has shown in this 1988 season.

Also I think Members should be aware that according to the CBO the savings on the Interior and Insular Affairs bill are $191 million over the next 5 years, and the Agriculture Committee's substitute is exactly the same figure, $191 million. However, the Agriculture Committee version does not trigger the potential costs of litigation because of the revocation of the contracts. Those potential costs range somewhere from $20 million at the low side to $250 million on the high side. So if Members want to save money, vote for the Agriculture Committee version of this bill.

Mr. YOUNG of Alaska. Mr. Chairman, I yield myself my remaining 2½ minutes.

Mr. Chairman, as we draw to a close in this debate, I have 2½ minutes left. There is not much that can be said that has not already been said on the pros and cons of this legislation other than the fact of how can you put people's dreams into 2½ minutes, and their hopes, and the future of their youth and the communities of Alaska? How can you put that into 2½ minutes of words?

We have two pieces of legislation before us today. One is, as the chairman from the Agriculture Committee mentioned, a bill that retains the integrity of this U.S. Congress, thus retaining the dreams of my Alaskan constituents. We have a bill that gives us an opportunity to protect the forest additionally. We have a bill that will protect the fish, but also recognize the other major important industries in southeastern Alaska.

In fact, we have a bill that goes beyond the bill that was voted on last year. For those who are environmentally inclined and are looking forward to the environmental vote, the Agriculture Committee bill is a more environmental bill than the one voted on last year.

On the other hand, we have a bill that came out of my committee that I have served on for 17 years that takes away those dreams and those hopes and the desires of the youth and of the people of Alaska. We break the word of the U.S. Congress and our Government and, in fact, we do not manage that great forest, we neglect it. We do not recognize it; we set it aside for the few.

The choice is clear today, very clear. I am asking my colleagues on both sides of the aisle, and we have heard from the gentleman from Missouri [Mr. VOLKMER], chairman of the subcommittee; the gentleman from Texas [Mr. DE LA GARZA], chairman of the Agriculture Committee; members of that committee that has bipartisan support, 100 percent bipartisan support in the committee. Then we have on my side of the aisle the Committee on Interior and Insular Affairs with a 100-percent vote against the bill of the Interior Committee because it is wrong, dead wrong.

Mr. MILLER of California. Mr. Chairman, I yield myself my remaining time.

Mr. Chairman, there have been a lot of statistics back and forth, a lot of discussion about what would and would not happen. This has been a long and difficult fight, but we cannot accept the notion that the passage of the Interior and Insular Affairs Committee's bill would somehow throw 6,000 people out of work. There has been no evidence of that submitted to this committee or any committee.

We cannot accept the notion that should we pass this bill these mills will immediately close down, because when asked that question by the Senate, the mills said that was not the case. They had no plans to do that.

What we are being asked to buy in the arguments by the members of the Agriculture Committee is the status quo. They give the Forest Service no powers in renegotiating these contracts in addition to those which the Forest Service has had since the last time this Congress told them to renegotiate these contracts and bring them into compliance with NFMA. That was in 1976. The Forest Service has refused to implement that intent.

Last year our bill provided for renegotiation of these contracts. Last year that bill passed with over 360 votes. The Forest Service opposed that bill.

So ladies and gentleman, the difference is whether or not we will vote for the Interior and Insular Affairs Committee bill and stop the force feeding of Federal taxpayer dollars to very wealthy entities, KPC and APC pulp mills in Alaska. That is the issue.

Mr. KOLBE. Mr. Chairman, when taking actions with potentially far-reaching effects on sovereign States, Congress must exercise due caution and diligence. We have a responsibility to ensure that Federal decisions are sensitive to the needs and concerns of local residents.

It is a fact that the Federal Government is Alaska's largest landlord, and that stewardship has not necessarily resulted in great benefits to the local economies. However, as Congress identified when the Alaska Lands Act of 1980 was enacted, protection and preservation of the vast natural resources in Alaska is in the national interest. Our decisions, while sensitive to the needs of Alaskans, must also reflect proper and rational stewardship of our national trust.

It appears clear that the Forest Service has been too rigid in following the direction of the Alaska National Interest Lands Conservation Act. Harvesting an average of nearly 200 million board feet per year beyond demand is going well beyond the Federal Government's commitment to protect the Tongass economy.

We have before us today two proposals which do a great deal to improve Federal management of the Tongass National Forest. Both set aside sensitive areas for the protection of fisheries and wildlife habitat. Both

revoke the irresponsible "mandatory" Tongass supply fund. Both address the 50-year timber supply contracts held by Alaska Pulp and Louisiana Pacific-Ketchikan. And probably most importantly, both proposals send the issue to the Senate where rough edges will surely be smoothed out.

I find both versions before us acceptable. I am persuaded however, that the Interior Committee version makes a stronger statement to the Senate that Forest Service management of the Tongass timber resource must more adequately reflect the realities of market forces. I am concerned about potential application of the "buffer zone" provision. Protection of rivers and tributaries consistent with National Marine Fisheries Service guidelines is important, but the Forest Service should be advised not to expand on those guidelines to randomly prohibit timber harvesting.

I am also torn about the potential costs associated with renegotiation or termination of the long-term contracts with Alaska Pulp and Louisiana Pacific-Ketchikan. The Forest Service has already renegotiated one contract at a price below that offered by independents. Termination of the contracts would appear to be in the Federal interest, so that timber sales will return to the Government a greater portion of its investment.

The Forest Service has argued that Congress didn't intend Tongass timber sales to show a profit. That's fine, and I don't expect that to change as a result of this bill. But in 1986, this amounted to a $22 million jobs bill. I think that level is excessive.

I cast my vote with a good deal of reluctance. I have great sympathy for my Alaska colleague as he strives to defend his homeland. I understand his complaints when he says that the United States has not been the most generous of landlords. He has reason to believe that given the discretion to act, the Appropriations Committee will not be as supportive of the timber supply fund. Let me say to the gentleman that as a member of the Appropriations Committee, I will work to ensure that the Interior Subcommittee fulfills its commitment to the people of Alaska in protecting the timber industry.

Mr. HERGER. Mr. Chairman, I rise in support of H.R. 987 as reported by the House Committee on Agriculture. H.R. 987 as reported by the House Committee on Agriculture represents a reasonable approach to resolving the problems of the Tongass National Forest.

Title I of the bill requires the Secretary of Agriculture to unilaterally or through negotiations with the holders of long-term timber sales contracts, bring the management of the Tongass National Forest into conformity with the management practices of other national forests. The Secretary is required to report to Congress within 1 year the progress of this action.

Further, the bill would require the Secretary of Agriculture to place more emphasis on national and local interests when establishing management and planning priorities for the forest. The Secretary of Agriculture would be required to provide for sustained production of old growth forests in the Tongass land management plan.

Finally, title I repeals the current permanent appropriations for the maintenance of the Tongass timber supply, but requires the Secretary of Agriculture to prepare sufficient timber to meet projected market demand, up to a maximum of 4.5 billion board feet per decade. The Secretary of Agriculture, applying the timber sale site selection process now utilized by other national forests, is required to independently determine the location and size of timber sale units, and the manner and timing of harvests from the Tongass.

Title II of the bill would amend the Alaska National Interest Lands Conservation Act to designate 23 areas within the Tongass National Forest as wilderness. These designated areas will be administered by the Secretary in accordance with the Wilderness Act subject to valid rights existing on the date of enactment.

H.R. 987 as reported by the House Committee on Agriculture addresses environmentalists' concerns that the Tongass National Forest be preserved and managed properly. This bill also assures that the commitments to long-term timber sales will be maintained and that department businesses and jobs, which are a vital part of the Alaskan economy, will survive. It is very similar to bill H.R. 1516 that this body passed by a large vote in the 100th Congress.

I urge my colleagues to support the Agriculture Committee version of this bill.

□ 1300

The CHAIRMAN. All time has expired on general debate.

Pursuant to the rule, the Committee amendment in the nature of a substitute recommended by the Committee on Interior and Insular Affairs now printed in the reported bill shall be considered by titles as an original bill for the purpose of amendment, and each title shall be considered as having been read.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND DEFINITION.

(a) SHORT TITLE.—This Act may be cited as the "Tongass Timber Reform Act".

(b) DEFINITION.—As used in this Act, the term "the Act" means the Alaska National Interest Lands Conservation Act (Public Law 96-487).

The CHAIRMAN. Are there any amendments to section 1?

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. DE LA GARZA

Mr. DE LA GARZA. Mr. Chairman, I offer the amendment in the nature of a substitute recommended by the Committee on Agriculture and printed in the bill.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. DE LA GARZA: Strike out all after the inacting clause and insert:

SECTION 1. SHORT TITLE AND DEFINITION.

(a) SHORT TITLE.—This Act may be cited as the "Tongass Timber Reform Act".

(b) DEFINITION.—As used in this Act, the term "the Act" means the Alaska National Interest Lands Conservation Act (Public Law 96-487).

TITLE I—IMPROVEMENT OF THE MANAGEMENT OF THE TONGASS NATIONAL FOREST

SEC. 101. AMENDMENT OF TONGASS NATIONAL FOREST LONG-TERM TIMBER CONTRACTS TO BETTER ACHIEVE FOREST MANAGEMENT OBJECTIVES.

(a) FINDING.—The Congress finds that changes in the long-term timber contract between the United States and the Ketchikan Pulp and Paper Company, Contract No. A10fs-1042, and the long-term timber contract between the United States and the Alaska Pulp Corporation, Incorporated, Contract Numbered 12-11-010-1545 (hereinafter referred to as "contracts") are necessary because the contracts prevent proper management of the Tongass National Forest, have undermined fair competition in the southeast Alaska timber industry, and fail to provide a fair financial return to the United States.

(b) AMENDMENT.—The joint resolution entitled a "Joint Resolution to authorize the Secretary of Agriculture to sell timber within the Tongass National Forest" approved August 8, 1947 (61 Stat. 920), is amended by adding at the end the following:

"SEC. 4. AMENDMENT OF TONGASS NATIONAL FOREST LONG-TERM TIMBER CONTRACTS TO BETTER ACHIEVE FOREST MANAGEMENT OBJECTIVES.

"(a) No later than 90 days after the date of enactment of this section, the Secretary of Agriculture shall enter into negotiations with the holders of the contracts specified in section 101(a) of the Tongass Timber Reform Act (hereinafter referred to in this section as the 'contracts') to make changes in the contracts that will achieve the objectives specified in subsection (b), to the extent that the objectives cannot be achieved solely through unilateral actions of the Secretary of Agriculture. To the extent that the objectives specified in subsection (b) can be achieved solely through unilateral action, the Secretary of Agriculture shall, within one year of the date of enactment of this section, take such actions as are necessary to achieve those objectives.

"(b) Action and negotiations pursuant to this section shall be undertaken in order to achieve the following objectives:

"(1) To bring forest planning and management practices regarding the Tongass National Forest into conformance with such planning and practices regarding other national forests and, in light of the amendment of section 705 of the Alaska National Interest Lands Conservation Act made by the Tongass Timber Reform Act, into compliance with the Forest and Rangeland Renewable Resources Planning Act of 1974, the National Environmental Policy Act of 1969, and other laws applicable to the National Forest System;

"(2) To provide that the holders of the contracts pay stumpage rates under such contracts comparable to those paid in connection with other sales of timber out of the Tongass National Forest;

"(3) To promote fair competition within the timber industry in southeast Alaska;

"(4) To enhance the protection of fish and wildlife resources and habitats in the Tongass National Forest by preventing excessive harvesting of high-volume old-growth timber;

"(5) To bring administration of the contracts into conformance with the adminis-

tration of short-term sales by implementing the recommendations of the 'Reid Brothers Anti-Trust Case Review Team Findings', printed as an appendix to the Report of the Committee on Agriculture of the House of Representatives to accompany the bill H.R. 987; and

"(6) To provide that the operating plans under the contracts are at all times consistent with the land management plan then in effect for the Tongass National Forest pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604).".

(c) REPORT TO CONGRESS.—

(1) No later than one year after the date of enactment of this Act, the Secretary of Agriculture shall submit to the Congress a written report concerning the implementation of section 4 of the joint resolution entitled a "Joint Resolution to authorize the Secretary of Agriculture to sell timber within the Tongass National Forest" approved August 8, 1947 (61 Stat. 920), as added by subsection (b) of this section.

(2) Such report shall—

(A) describe the actions taken, and the results of the negotiations entered into, pursuant to such section 4(a), including the extent to which the holders of the contracts have agreed to changes in such contracts in order to achieve the objectives specified in such section 4(b);

(B) include recommendations for congressional action to achieve the objectives specified in such section 4(b); and

(C) in the event that the Secretary of Agriculture determines that the objectives specified in such section 4(b) have not been achieved through actions pursuant to such section 4, provided an analysis of the extent to which the objectives would be achieved through termination of the contracts.

SEC. 102. APPLICATION OF FOREST MANAGEMENT PRACTICES TO THE TONGASS NATIONAL FOREST.

(a)(1) PREPARATION OF TIMBER FOR SALE.—Subject to the provisions of the Multiple-Use Sustained-Yield Act of 1960 (16 U.S.C. 528 et seq.) and the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1600 et seq.), the Secretary of Agriculture shall prepare sufficient timber for sale from the Tongass National Forest to meet projected market demand, as determined by the Secretary of Agriculture, up to 4.5 billion board feet per decade beginning with the decade beginning January 1, 1990.

(2) The 4.5 billion board feet measure per decade shall not affect the forest planning process set forth in the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1600 et seq.).

(b) FOREST MANAGEMENT PRACTICES.—The Secretary of Agriculture shall exercise independent judgement in detemining the location and size of sale units and the manner and timing of timber harvests for the Tongass National Forest. The Secretary of Agriculture shall make such determination in accordance with those laws, guidelines, standards and policies relating generally to timber sales from other forests within the National Forest System. With regard to such determination, the Secretary of Agriculture may receive and consider proposals submitted pursuant to the contracts as well as comments from prospective purchasers and other parties, but need not adhere to such proposals or comments. The provisions of this subsection shall be deemed to be in conformance with the contracts.

SEC. 103. MANAGEMENT OF THE TONGASS NATIONAL FOREST.

(a) FINDINGS.—The Congress finds that—

(1) the commercial fishing, recreation, timber, and tourism industries each make a substantial contribution to the economy of southeast Alaska and their ability to contribute in the future depends upon balanced planning and management of the Tongass National Forest; and

(2) the Secretary of Agriculture should plan and manage the Tongass National Forest in a manner that adequately protects and enhances fish, wildlife, and recreation resources, as well as timber, and should act in the long-term best interests of all natural resources dependent industries and subsistence communities in southeast Alaska.

(b) PURPOSES.—The purposes of this section are to require the Secretary of Agriculture to—

(1) assess the extent to which planning and management of the Tongass National Forest prior to the enactment of this Act has differed from planning for, and management of, other national forests; and

(2) change, in conformance with laws applicable to the National Forest System, planning and management priorities regarding the Tongass National Forest so as to assure that greater emphasis is given to the long-term best interests of the commercial fishing, recreation, and tourism industries, subsistence communities in southeast Alaska, and the national interest in the fish and wildlife and other natural resources of the Tongass National Forest.

(c) DIRECTIVE.—The Secretary of Agriculture is authorized and directed to take such steps as are necessary to achieve the purposes described in subsection (b).

(d) OLD-GROWTH FOREST MANAGEMENT.—In developing the land management plan for the Tongass National Forest pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, the Secretary shall—

(1) provide for sustained production of old-growth forest resources within the Tongass National Forest; and

(2) upon completion of the draft of such plan, which shall be completed in any event not later than one year after the date of enactment of this Act, report to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition, and Forestry on provisions incorporated into such plan to meet the objective set forth in paragraph (1). The report shall include—

(A) the definition of the term "old-growth forest" used for purposes of such plan;

(B) the quantity and distribution of old-growth forest in the Tongass National Forest;

(C) the management objectives and guidelines incorporated into such plan to provide for sustained production of old-growth forest resources;

(D) the criteria used to determine how to integrate old-growth forest management objectives into the plan; and

(E) the relationship between old-growth forest management objectives and other resource management goals affecting timber, fish and wildlife, water quality, recreation, subsistence uses, and aesthetics.

SEC. 104. AMENDMENT TO ALASKA NATIONAL INTEREST LANDS CONSERVATION ACT AND CONFORMING AMENDMENT.

(a) The Alaska National Interest Lands Conservation Act is amended by—

(1) striking sections 705 (a) and (d);

(2) adding to section 705 the following new subsections:

"(e) FISHERIES PROTECTION.—The Secretary of Agriculture shall maintain a minimum buffer zone on each side of all anadromous fish streams in the Tongass National Forest. Such buffer zone shall be a minimum width of 100 feet. Logging shall be prohibited within such buffer zone.

"(f) TENAKEE SPRINGS ROAD PROHIBITION.—A vehicular access road connecting the Indian River and Game Creek roads may not be constructed, and the Secretary of Agriculture shall not engage in any further efforts to connect the city of Tenakee Springs with the logging and road system on Chichagof Island.".

(3) striking in section 706(a) "and the Committee on Interior and Insular Affairs" and inserting "the Committee on Agriculture and the Committee on Interior and Insular Affairs";

(4) striking the second sentence of subsection (a) of section 706 and inserting the following new sentence: "This report shall include a complete analysis of the losses or gains sustained by the United States Government with respect to long-term, short-term and total sales of timber from the Tongass National Forest using information from the statement on revenues and expenses of the Timber Sale Program Information Reporting System and shall display total costs, unit costs (per thousand board feet of timber sold or released) and associated revenues, for the current and previous two years of operations.";

(5) striking in section 706(b) "and (4)" and inserting "(4)";

(6) striking the period at the end of section 706(b) and inserting ", (5) the impact of timber management on subsistence resources, wildlife, and fisheries habitats, and (6) the steps taken by the Secretary of Agriculture under section 103(c) of the Tongass Timber Reform Act."; and

(7) striking in section 706(c) "and the Alaska Land Use Council" and inserting "the southeast Alaska commercial fishing industry, and the Alaska Land Use Council".

(b) Section 5202 of the Omnibus Reconciliation Act of 1987 is repealed.

TITLE II—WILDERNESS

SEC. 201. ADDITIONAL WILDERNESS AREAS.

(a) DESIGNATION.—Section 703 of the Act is amended by adding the following new subsections:

"(c) DESIGNATION OF ADDITIONAL WILDERNESS ON THE TONGASS NATIONAL FOREST.—In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131-1136), the following lands within the Tongass National Forest in the State of Alaska are hereby designated as wilderness and therefore as components of the National Wilderness Preservation System:

"(1) ANAN CREEK WILDERNESS.—Certain lands which comprise approximately 38,415 acres, as generally depicted on a map entitled 'Anan Creek Wilderness—Proposed' and dated May 1989, which shall be known and the Anan Creek Wilderness.

"(2) BERNERS BAY WILDERNESS.—Certain lands which comprise approximately 46,135 acres, as generally depicted on a map entitled 'Berners Bay Wilderness—Proposed' and dated May 1989, which shall be known as the Berners Bay Wilderness.

"(3) CALDER-HOLBROOK WILDERNESS.—Certain lands which comprise approximately 68,693 acres, as generally depicted on a map entitled 'Calder-Holbrook Wilderness—Proposed' and dated May 1989, which shall be known as the Calder-Holbrook Wilderness.

"(4) CHICHAGOF WILDERNESS.—Certain lands which comprise approximately 347,733 acres, as generally depicted on a map entitled 'Chichagof Wilderness—Proposed' and dated May 1989, which shall be known as the Chichagof Wilderness.

"(5) CHUCK RIVER WILDERNESS.—Certain lands which comprise approximately 124,539 acres, as generally depicted on a map entitled 'Chuck River Wilderness—Proposed' and dated May 1989, which shall be known as the Chuck River Wilderness.

"(6) KADASHAN WILDERNESS.—Certain lands which comprise approximately 34,044 acres, as generally depicted on a map entitled 'Kadashan Wilderness.—Proposed' and dated May 1989, which shall be known as the Kadashan Wilderness.

"(7) KARTA RIVER WILDERNESS.—Certain lands which comprise approximately 39,886 acres, as generally depicted on a map entitled 'Karta River Wilderness—Proposed' and dated May 1989, which shall be known as the Karta River Wilderness.

"(8) KEGAN LAKE WILDERNESS.—Certain lands which comprise approximately 24,655 acres, as generally depicted on a map entitled 'Kegan Lake Wilderness—Proposed' and dated May 1989, which shall be known as the Kegan Lake Wilderness.

"(9) NAHA RIVER WILDERNESS.—Certain lands which comprise approximately 31,794 acres, as generally depicted on a map entitled 'Naha River Wilderness—Proposed' and dated May 1989, which shall be known as the Naha River Wilderness.

"(10) NUTKWA WILDERNESS.—Certain lands which comprise approximately 52,654 acres, as generally depicted on a map entitled 'Nutkwa Wilderness—Proposed' and dated May 1989, which shall be known as the Nutkwa Wilderness.

"(11) OUTSIDE ISLANDS WILDERNESS.—Certain lands which comprise approximately 98,572 acres, as generally depicted on a map entitled 'Outside Islands Wilderness—Proposed' and dated May 1989, which shall be known as the Outside Islands Wilderness.

"(12) PLEASANT-LEMESURIER-INIAN-ISLANDS WILDERNESS.—Certain lands which comprise approximately 23,140 acres, as generally depicted on a map entitled 'Pleasant-Lemesurier-Inian Islands Wilderness—Proposed' and dated May 1989, which shall be known as the Pleasant-Lemesurier-Inian Islands Wilderness.

"(13) POINT ADOLPHUS-MUD BAY WILDERNESS.—Certain lands which comprise approximately 73,346 acres, as generally depicted on a map entitled 'Point Adolphus-Mud Bay Wilderenss—Proposed' and dated May 1989, which shall be known as the Point Adolphus-Mud Bay Wilderness.

"(14) PORT HOUGHTON-SANBORN CANAL WILDERNESS.—Certain lands which comprise approximately 58,915 acres, as generally depicted on a map entitled 'Port Houghton-Sanborn Canal Wilderness—Proposed' and dated May 1989, which shall be known as the Port Houghton-Sanborn Canal Wilderness.

"(15) ROCKY PASS WILDERNESS.—Certain lands which comprise approximately 75,734 acres, as generally depicted on a map entitled 'Rocky Pass Wilderness—Proposed' and dated May 1989, which shall be known as the Rocky Pass Wilderness.

"(16) SARKAR LAKES WILDERNESS.—Certain lands which comprise approximately 25,650 acres, as generally depicted on a map entitled 'Sarkar Lakes Wilderness—Proposed' and dated May 1989, which shall be known as the Sarkar Lakes Wilderness.

"(17) SOUTH ETOLIN ISLAND WILDERNESS.—Certain lands which comprise approximately 83,642 acres, as generally depicted on a map entitled 'South Etolin Island Wilderness—Proposed' and dated May 1989, which shall be known as the South Etolin Island Wilderness.

"(18) SOUTH KUIU WILDERNESS.—Certain lands which comprise approximately 191,532 acres, as generally depicted on a map entitled 'South Kuiu Wilderness—Proposed' and dated May 1989, which shall be known as the South Kuiu Wilderness.

"(19) SULLIVAN ISLAND WILDERNESS.—Certain lands which comprise approximately 4,032 acres, as generally depicted on a map entitled 'Sullivan Island Wilderness—Proposed' and dated May 1989, which shall be known as the Sullivan Island Wilderness.

"(20) TRAP BAY WILDERNESS.—Certain lands which comprise approximately 6,667 acres, as generally depicted on a map entitled 'Trap Bay Wilderness—Proposed' and dated May 1989, which shall be known as the Trap Bay Wilderness.

"(21) WEST DUNCAN CANAL WILDERNESS.—Certain lands which comprise approximately 134,627 acres, as generally depicted on a map entitled 'West Duncan Canal Wilderness—Proposed' and dated May 1989, which shall be known as the West Duncan Canal Wilderness.

"(22) YAKUTAT FORELANDS WILDERNESS.—Certain lands which comprise approximately 220,268 acres, as generally depicted on a map entitled 'Yakutat Forelands Wilderness—Proposed' and dated May 1989, which shall be known as the Yakutat Forelands Wilderness.

"(23) YOUNG LAKE WILDERNESS ADDITION TO ADMIRALTY ISLAND NATIONAL MONUMENT.—Certain lands which comprise approximately 18,702 acres, as generally depicted on a map entitled 'Young Lake Wilderness—Proposed' and dated May 1989, which shall be managed as an addition to the Admiralty Island National Monument.

"(d) APPLICATION OF SECTION 1315(e).—Section 1315(e) of this Act (15 U.S.C. 3203(e)) shall not apply to the wilderness designated by subsection (c).".

(b) ADMINISTRATION.—Section 707 of the Act is amended by adding at the end the following new sentence: "Subject to valid existing rights, the wilderness areas designated in section 703(c) of this Act, as added by the Tongass Timber Reform Act, shall be administered by the Secretary of Agriculture in accordance with this section, except that in the case of such areas any reference in the provisions of the Wilderness Act to the effective date of the Wilderness Act (or any similar reference) shall be deemed to be a reference to the date of enactment of the Tongass Timber Reform Act.".

Mr. DE LA GARZA (during the reading). Mr. Chairman, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. DE LA GARZA. Mr. Chairman and my colleagues, the substitute has been discussed at length. Both bills have been discussed. You have heard the issue being discussed.

I again caution you, but I would just dump all the figures out and go on the merits of what is in the legislation. Our legislation has—disregarding the figures our legislation says you do not abridge contracts, you mandate the Forest Service to continue the process. One has been renegotiated, another is almost to be finalized.

You preserve to the extent that we can humanly possible that great forest; you harvest from its bounty in order that you can conserve the human element because the human element without any jobs, without any sustainment, would not survive in that environment.

So you need to have jobs in that area.

I might mention that, yes, they came to our committee and said, at the subcommittee where the people from Alaska came, from both sides of the issue, where they came and those who worked there and spoke to us out in the hall and spoke to us during the subcommittee meeting said it was their livelihood, they did not want to leave.

So it is not that you are giving tax dollars to some timber baron as has been mentioned. That is not the issue here.

The issue here is do we protect that vast forest? The Agriculture version does.

Do we protect the word and the integrity of the United States? The Agriculture Committee version does.

Do we protect the human element compatible with the needs of the human element but respecting the preservation of that great forest? The Agriculture Committee version does.

I would hope that my colleagues would support our version.

With all due respect and with love, admiration, and respect to the distinguished chairman of the subcommittee, this has not been a fight, it has not been a fight because whichever way it goes we would have made some progress in the endeavor that all of us agree on, the preservation, to the extent we can.

We do not look at it as a fight. There is a difference of opinion, and so shall it be on many more issues that we might have before us. It is only that we feel that we have a version compatible with all the needs in the area, the human element, the economic viability, and the preservation of that great forest.

I think we can do that, and I would urge your support for the Agriculture Committee version.

Mr. HUCKABY. Mr. Chairman, will the chairman yield?

Mr. DE LA GARZA. I yield to the gentleman from Louisiana.

Mr. HUCKABY. I thank the gentleman for yielding.

Mr. Chairman, I would just like to point out that I rise in support of the amendment pending before the committee and that, as the chairman has stated, the agriculture version protects the sanctity of contracts, so very im-

portant I think in just the principle of America.

Let me point out also that the Tongass Forest grows more board feet each year than has ever been harvested. So in no way are the timber companies raping the forest. It is replenishing itself.

It creates jobs, it is certainly not funds just going to big timber barons.

One of these corporations, Louisiana Lands, is an American company, publicly traded, and both of these companies have large investments here, large investments in pulp that would not have made these investments and these jobs would not be possible had it not been for these contracts.

So I urge my colleagues to support the agriculture amendment before us.

Mr. DE LA GARZA. I thank the gentleman from Louisiana for his contribution.

Mr. Chairman, I urge all of our colleagues, if you want a win-win-win situation, support the Agriculture version.

Mr. BROWN of California. Mr. Chairman, I move to strike the last word and rise in opposition to the amendment.

Mr. Chairman, I am reluctant to do this because I recognize the very hard work that was put into the Agriculture Committee substitute by both the chairman of the subcommittee and the chairman of the full committee. I am not a member of the subcommittee although I was for many years and was on it when we drafted the Forest Management Act, which I think is the legislation which should prevail rather than the special conditions which now prevail on the Tongass.

As the chairman indicated, the distinguished gentleman from Texas, we are going to come out of this with a better situation regardless of what version we adopt.

The Agriculture Committee substitute does go a considerable distance toward correcting some of the problems that exist on the Tongass at the present time, and I think that the Agriculture Committee deserves a great deal of credit for acting responsibly on this legislation. But it is my view that, valuable as their efforts were, that they do not go far enough in correcting the very serious problems that exist here.

I, and a substantial number of other members of the Agriculture Committee, some of whom you have heard from already this morning, presented additional views in opposition to the Agriculture Committee substitute and in support of the Interior Committee bill.

I urge all of my colleagues to read those additional views, which unfortunately are contained in part 2 of the reports back there. Many of the Members who may have only picked up part 1 may not have seen them.

Let me just quote briefly from the additional views which were signed by myself, DAN GLICKMAN, CHARLIE ROSE, H. MARTIN LANCASTER, HARLEY O. STAGGERS, Jr., JIM JONTZ, TIMOTHY J. PENNY, ROBIN TALLON, TIM JOHNSON, BEN NIGHTHORSE CAMPBELL, ROY DYSON, DAVE NAGLE, and CHARLES HATCHER. Most of these, other than myself, are responsible Members of Congress.

We say in these remarks that:

Although H.R. 987, as reported by the Committee on Agriculture points Congress in the appropriate direction in reforming the management of the Tongass National Forest in Southeast Alaska, we feel that the bill does not go far enough. The Tongass National Forest has been burdened with significant management problems for many years, and it will take strong measures to restore responsible management to this extraordinary national forest.

And further we went on to say:

In fact, the General Accounting Office (GAO) reported that from 1981 to 1986, the Forest Service prepared and made available for sale an average of 481 mmbf of timber per year even though an annual average of only 292 mmbf was actually sold. According to GAO, the Forest Service wasted $131 million to prepare excess timber for sale and build roads into pristine valleys and river bottoms well in advance of demand for the timber the roads could access. The resulting damage to the public land in loss of wilderness values, and fish and wildlife stocks cannot be calculated.

Now this is the type of management practice we want corrected. Innumerable efforts to renegotiate these contracts with the existing mills up there have proven unavailable to correct this situation. We think it should be corrected. We think this loss of money to the Treasury should be corrected.

I find myself in the fairly rare position of being in agreement with the National Taxpayers Union on this issue which also believes that the Interior Committee bill is the proper mechanism to address this problem. I urge all of you to defeat the Agriculture Committee substitute and support the Interior version of this bill.

Mr. Chairman, I rise in strong support of the House Interior Committee's version of the Tongass Timber Reform Act, and urge my colleagues to vote against any amendments that would weaken this legislation.

Although a member of the Agriculture Committee, I feel that its substitute of H.R. 987 does not adequately address the immense management problems that have plagued the Tongass National Forest in southeast Alaska. By contrast to H.R. 987, the Agriculture Committee's bill does not effectively handle either the damaging long-term contracts with the Alaska Pulp Co. and the Louisiana Pacific-Ketchikan pulp mills or the unreasonable 4.5 billion board feet [bbf] timber sale level. It also fails to protect permanently any of the Tongass unique fish and wildlife habitat. If responsible management of this extremely rare, temperate-zone rainforest is to be restored, stronger measures than the Agriculture Committee's bill must be taken.

H.R. 987 would require five sensible actions: First, it would terminate the two long-term contracts with the Alaska Pulp Co. and Louisiana Pacific-Ketchikan; second, it would repeal automatic appropriation of at least $40 million annually to the Tongass Timber Program; third, it would put an end to the requirement that the Forest Service make available 4.5 bbf of Tongass timber per decade; fourth, it would create 1.8 million acres of new wilderness in the forest; and fifth, it would establish a 100-foot buffer strip along salmon streams and their tributaries—at the request of commercial fishermen. Let me first address the importance of terminating the two long-term contracts.

Numerous congressional hearings have substantiated the extensive problems caused by the 50-year timber contracts on the Tongass National Forest. The contracts provide the contract holders with extraordinary power to interfere in normal Forest Service management decisions about where, when, and how to cut Federal timber. They allow the contract holders to choose the areas they want to cut and refuse areas the Forest Service offers them. They give the contract holders the right to profitable timber and the right to refuse timber considered uneconomical to cut. They have been used as the basis of antitrust violations that drove virtually every small timber operator out of business from 1960 to 1976. They ensure that the Government will never get a fair monetary return from public timber on the Tongass. Finally, they allow the pulp mills to "high grade" the forests by concentrating logging in the rare, high-volume old growth stands which are most valuable to fish and wildlife habitat.

By requiring the Forest Service to renegotiate the 50-year contracts, section 101 of H.R. 987 as reported by the Agriculture Committee is designed to restore a competitive timber market in southeast Alaska and to bring the stumpage rates paid in connection with other Tongass timber sales. We feel that these goals cannot be accomplished, however, unless the contracts are terminated and replaced with short-term, competitively bid timber sales.

Although the agency has renegotiated the contracts as part of the normal 5-year timber sale appraisal process as spelled out in the existing 50-year contracts, these renegotiations have established a disturbing trend of giving even more special considerations to the contract holders. For each reform the Government has gained in their renegotiations, the Forest Service has been forced to make a concession. The result is even more waste of taxpayer dollars in road credits and forgone antitrust damage claims.

From the first year of full implementation of the controversial provisions of section 705 of the Alaska Lands Act to the most recent available information for 1988, the Forest Service has reported to Congress that the timber program has lost $353 million, or an annual average loss of $50.5 million. The Government has never profited from its investment; in some years the Forest Service lost 98 cents for every dollar spent on the logging operations.

No firm estimates have been provided of the cost of terminating the long-term contracts. However, CRS estimated that "just compensation" for the 50-year contracts, if awarded, would most likely range between $21.5 and $150 million. The Congressional Budget Office [CBO] estimated that a court award would be relatively small if the court reasons that the contract holders will continue to have access to adequate supplies of timber after contract termination, even at a higher price. There is no reason why the Forest Service would not be able to continue to offer essentially the same quantity and quality of timber under short-term sales arrangements. Furthermore, CBO estimated that the Interior Committee's bill would save $146 million in actual expenditures over the next 5 years alone. In short, Congress can afford to compensate the contract holders, but cannot afford to continue the 50-year contracts.

The goal of Tongass reform should be to eliminate all of the peculiar management conditions that have led to the mismanagement of this grand, old growth forest. Contract termination would ensure that all purchasers of Federal timber on the Tongass bid competitively for standard timber sales just like those used in all other national forests.

Proper forest management of the Tongass is also hampered by the unprecedented directive found in section 705(A) of the Alaska National Interest Lands Conservation Act [ANILCA] which required the Forest Service to make available 4.5 billion board feet of Tongass timber to the timber industry every decade. This has led to wasteful Federal spending in the Tongass timber program and has contributed to excessive clearcutting in high value fish and wildlife habitat.

In fact, the General Accounting Office [GAO] reported that from 1981 to 1986, the Forest Service prepared and made available for sale an average of 481 million board feet [mmbf] of timber per year even though an annual average of only 292 million board feet was actually sold. According to GAO, the Forest Service wasted $131 million to prepare excess timber for sale and build roads into pristine valleys and river bottoms well in advance of demand for the timber the roads could access. The resulting damage to the public land in loss of wilderness values, and fish and wildlife stocks cannot be calculated.

Although the Committee on Agriculture substitute directs the Forest Service to consider other forest values, and the committee report includes language to clarify the 4.5 bbf figure, history has shown that as long as a timber supply level remains in statute the agency may feel compelled to make 4.5 bbf of timber available for cutting—to the detriment of land use priorities.

No other national forest is given special management direction from Congress when it comes to the timber supply level offered each year for logging. While I believe that the Agriculture Committee substitute is a substantial improvement in the language of the ANILCA provision, by retaining a specified timber level, Congress maintains a bad precedent for national forest management which should be eliminated.

I believe H.R. 987 would serve both the national interest and the interest of the State of Alaska. It directly addresses the concerns of local Alaskans by protecting 1.8 million acres of key old-growth rainforest that provides sensitive habitat for deer, grizzly bears, bald eagles, salmon, and other wildlife while leaving more-than-adequate commercial timber base for logging.

The Interior Committee has approved an excellent bill which will save taxpayer dollars, protect environmental quality and enhance the long-term prosperity and stability of southeast Alaska, but we must act on it now. Therefore, I strongly urge my colleagues to support H.R. 987.

□ 1310

AMENDMENT OFFERED BY MR. VOLKMER TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. DE LA GARZA

Mr. VOLKMER. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. VOLKMER to the amendment in the nature of a substitute offered by Mr. DE LA GARZA: The amendment is amended on page 8 by inserting after line 24 the following: "The Secretary shall also maintain a buffer zone along all tributaries of such streams in accordance with best management practices for water quality.".

Mr. VOLKMER. Mr. Chairman, the amendment that I have offered now has to do with the buffer zone language that is in the substitute of the Committee on Agriculture, and merely clarifies the buffer zone language as it applies to tributaries of the anadromous streams which are used in the fishing process. The amendment I am offering now provides that the buffer zone shall extend to tributaries of such streams in accordance with the best management practices for water quality.

Now, this is exactly the language that was proposed to Members by the Southeast Alaska Sailors from Ketchikan who are the fishing industry in Alaska. We have proposed different buffer zone language totally in the substitute, and with my amendment, different from the Committee on Interior bill.

The Committee on Interior and Insular Affairs bill extends a buffer zone not only on all the anadromous streams but also on all tributaries of 100 feet. It also provides that in the Interior bill that the buffer zone cannot be crossed, it has to be maintained in the existing State, which means that they cannot even cross over or build crossings to be able to timber in adjacent or other land next to the buffer zone. As a result, it has been estimated that the language of the Interior bill would actually eliminate approximately 30 billion board feet for cutting in this area.

Therefore, the language we have offered and the amendment that I am now offering to the substitute conforms with the wishes of the fishermen in Alaska who actually protect the streams as needed to be, but also permit timbering in areas. They agree with that. They, too, realize that the timber industry is necessary to southeast Alaska.

Mr. Chairman, I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, this is an amendment to the Agriculture substitute. We have no problem if the committee wants to amend their own substitute.

Mr. VOLKMER. Mr. Chairman, I yield to the gentleman from Washington.

Mr. MORRISON of Washington. Mr. Chairman, we looked at the gentleman's amendment and concur. This clarifies the intent to match standard practice in other forests, and commend him for offering this.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. VOLKMER] to the nature of a substitute offered by the gentleman from Texas [Mr. DE LA GARZA].

The amendment to the amendment in the nature of a substitute was agreed to.

Mr. YOUNG of Alaska. Mr. Chairman, I move to strike the last word, and I yield to the gentleman from Montana [Mr. MARLENEE].

Mr. MARLENEE. Mr. Chairman, I am a member of both the Agriculture and Interior Committees. Both committes are offering legislation pertaining to the Tongass National Forest in Alaska. The Agriculture Committee bill is reform. The Interior Committee bill abrogates the finely crafted agreements reached by all parties in 1980 when Congress passed the Alaska Lands Act.

I favor standing by our commitment and our word. I favor the Agricultural Committee bill—just like the chairman of the Agriculture Committee does.

Both bills save $40 million, but the Interior Committee bill could cost hundreds of millions of dollars according to the Congressional Budget Office. This is because the Interior Committee bill would unilaterally break a government contract with the only year-round manufacturing plants in Alaska. The Agriculture Committee looked at this provision, and rejected it. We were looking for savings, not scalps.

The Interior Committee bill is excessive, reducing the legal size of industry by 61.5 percent. This is a U.S. industry which paid over $40 million to the U.S. Treasury in taxes and Social Security, and whose products contributed almost a half billion dollars to the U.S. economy last year.

The Interior Committee bill is a partisan, irresponsible, and revolutionary bill, which would cost hundreds of mil-

lions of dollars and thousands of American jobs.

The Agriculture Committee bill is a bipartisan, responsible reform package, designed to save money and jobs.

After hearing testimony before both committees and looking at both bill, I support the Volkmer-Morrison Agriculture Committee bill. I hope you do, too.

Mr. YOUNG of Alaska. It is sort of ironic, here I am urging a vote on the Agriculture bill that far exceeds the same bill that we voted on last year. That should show Members how bad the Interior bill is.

I respected the comments of the chairman of the full committee. Let Members throw all the figures out the window and think of the people effects, and how it affects those dreams and hopes.

The Agriculture bill is a bill that goes much beyond what I think is necessary, certainly beyond what most people in Alaska think is necessary. However, it is the bill that has been comprised and worked together with all members of that committee, long and lengthy hearings, and they have done the job to maintain the industry and the people factor in this legislation.

I think it is important that we recognize that effort. There is something basically wrong with a bill that comes out of a committee that is strictly along party lines. Frankly, it is westerner most of the times against easterner or vice versa. I understand that. However, it does not recognize the human factor. Do I buy a car? Do I have my children's teeth straightened? Do we put new carpet in? Can we bring our mother up to visit so she can see her grandchildren? Those things are not answered under the Interior bill. They are answered under the Agriculture bill.

Mr. Chairman, I am urging my colleagues to do as the chairman mentioned, let Members have a bill that takes care of all, let Members not divide into small different groups. Let Members have legislation that has a possibility and a reality of being signed. Let Members not continue to go through this constant divisive issue, year after year after year, not only in the Congress, but in fact, in the State of Alaska.

There have been some accusations made about the companies, as if the companies were an entity into themselves. They are not. These are people. People that work. People that want to depend upon this Government's word.

I urge a yes vote on the Agriculture bill, a resounding yes for what is right and just.

Mr. GLICKMAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I know that both committees have worked diligently and in good faith on this issue. It is not the easiest issue in the world to deal with.

I feel a bit difficult, as a member of the Committee on Agriculture, opposing my own committee in this regard and supporting the Interior Committee, but that is consistent with the position I took last year on the floor of this House as well as in committee. Last year, I believe I talked with the gentleman from California [Mr. MILLER] about offering an amendment to terminate the contracts in question with the two companies, that in my judgment were preferential, and not in the best interests of the taxpayer.

At that time he persuaded me not to offer the amendment, that they would like to work this matter out in the course of the legislative process. That did not happen, and so today I feel it necessary to honor my position of a year ago, as well as what I said in the Committee on Agriculture, and that is to support the Committee on Interior and Insular Affairs position.

Mr. Chairman, I rise to address the Members of the House regarding a provision of H.R. 987, the Tongass Timber Reform Act. I rise in support of the termination of the two long-term timber sale contracts on the Tongass National Forest, which are currently held by Louisiana-Pacific Ketchikan and Alaska Pulp Corp.

Mr. Chairman, these contracts are and will continue to be an affront to the sound conservation and management of the unique forest resources of southeast Alaska. These contracts are the root cause of millions of dollars of taxpayers losses each year due to heavily subsidized timber sales in the Tongass National Forest. These contracts continue to permit two large timber companies—one a wholly owned Japanese firm—to maintain monopolistic control over the forest products industry in southeast Alaska and have eliminated all possibility for fair competition for timber sales to occur.

I believe these contracts work to the detriment of the public resources and the economy of southeast Alaska. Two-thirds of the southeast Alaska economy depends upon nontimber resources from the Tongass supporting a growing recreation and tourism business and a strong fishing industry. Despite the fact that only one-third of the region's economy relies on timber, most of the Tongass' budget goes into preparing timber for sale. Why? Because the Forest Service remains bound by the contracts to offer minimum levels of timber for sale, every year, irrespective of demand.

My position on contract termination stems from the preferential and anticompetitive nature of this agreement. The long-term contracts have created a monopoly for timber harvested from the Tongass which has squelched competition for timber and cost the American taxpayer millions of dollars in foregone revenues. As a result of the lack of competition and due to the terms of the contract, the two companies pay extremely low rates for stumpage—as low as $1.50 per thousand board feet, less than the value of a bushel of wheat. This is 15 times less than the value of timber sold competitively on the forest and not even close to what it costs the Forest Service to prepare the timber for sale. It is my strong sentiment that these companies have violated antitrust laws and the contracts should be terminated now.

I would like to make it clear that I believe the two pulp companies, Louisiana-Pacific Ketchikan and Alaska Pulp Co., should be provided with compensation in return for the termination of their contracts. Such compensation should include the replacement value of the timber which was lost and additional costs associated with obtaining timber. I believe this is the most responsible position Congress could take, and hopefully, H.R. 987 will contain such a provision before it becomes law. Justification for cancellation of the contracts, as well as the precedent for just compensation, is patterned after the court case, Hedstrom Lumber Co. versus United States, in which the court found that canceling contracts to log lands in Minnesota was taken in the national interest and had "public and general" application. The court also found that the logging company was entitled to just compensation.

The two companies have monopolies on timber logging in the Tongass, having driven their competition out of business and having been found guilty of antitrust violations. The Tongass National Forest is truly unique. In fact, the most important single Forest Service policy which has made possible the monopolistic system in Alaska was the grant of the long-term timber sales to the pulp companies, at a bargain price. Elimination of the contracts would bring management of the Tongass on the level with how other national forests across the country are managed.

□ 1320

Mr. HUCKABY. Mr. Chairman, will the gentleman yield?

Mr. GLICKMAN. I yield to the gentleman from Louisiana.

Mr. HUCKABY. Mr. Chairman, is it not true that a majority of the board feet of timber harvested each year is used for pulp, as opposed to saw logs?

Mr. GLICKMAN. I do not know what the exact numbers are, but I know there is quite a bit of timber used for pulp, that is correct.

Mr. HUCKABY. Is it not true that there are only two pulp mills there, the two that were talked about?

Mr. GLICKMAN. That is correct.

Mr. HUCKABY. Is it not true that this is major capital investment?

Mr. GLICKMAN. That may be true, but I do not think that, in and of itself, ought to justify long-term, perpetual contracts in any line of work.

Mr. HUCKABY. Is it not true that the only source of timber there is the Federal lands, the Tongass Forest?

Mr. GLICKMAN. No, I do not think that is true. I also believe that if we used that point, it would always justify the status quo on anything. All I am saying is that the contracts ought to be typical standard-type timber contracts—shorter term contracts. That is the way it is everywhere else. So, competition I think, would work.

I understand the point the gentleman is raising about the capital investment and the jobs, but I still believe that competition works, and I think we would find that with competition jobs would also be created.

Mr. HUCKABY. Mr. Chairman, would the gentleman yield further?

Mr. GLICKMAN. I am glad to yield to the gentleman from Louisiana.

Mr. HUCKABY. Mr. Chairman, the point is that no company is going to make these capital investments to put pulp mills there without a guaranteed long-term supply of timber, and here we are pulling them out.

Mr. GLICKMAN. Mr. Chairman, I heard that argument when we talked generally about deregulation. When we talk about economic franchises that are granted, whether it is in the airline industry or any other industry—and I realize those experiences have been mixed—the fact of the matter is that we usually do find capital investment taking place when these things happen. I cannot tell the gentleman for sure what happened here, but I think it is something that the U.S. Government ought not to be countenancing.

Mr. REGULA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in reluctant opposition to the Tongass Timber Reform Act and in support of the Agriculture Committee's substitute.

Mr. Chairman, I have been a proponent for several years of reforms in the Tongass. In fact, I have successfully included provisions in each of the last three annual Interior appropriations bills, including the one passed yesterday, to reduce funding for the timber program in the Tongass and redirect those funds to activities such as recreation and fish and wildlife enhancements.

The bill before us today would accomplish some of those objectives. I support repeal of the permanent appropriation and the elimination of the requirement that at least 4.5 billion board feet of timber be made available each decade from the Tongass. I believe funding for this forest should be managed as funding for each of our other national forests and that supply should be equated to demand, not arbitrarily predetermined.

However, the bill goes much further than this. It includes a provision that would terminate the two long-term timber contracts with the U.S. Government. Yesterday, we passed legislation that would effectively undermine existing contracts between the Government and the oil industry. Both of these actions are clearly legislative breach of the contracts which could expose the Government to compensatory damages and sets a dangerous precedent for property rights nationwide.

We cannot continue this trend. A Government contract should mean something. It should be worth more than the paper it is written on. If we pass this bill today we are saying it is not. We are saying the word of the Government is worth nothing. As Justice Brandeis said: "If the Government becomes a law breaker it breeds contempt for the law."

The Agriculture substitute on the other hand would require renegotiation, not termination of these contracts, a far more equitable approach to all parties. The Agriculture bill would achieve the desired objective of bringing these long-term contracts in line with the planning and management practices of other national forests and require the holders of the contracts to pay stumpage rates equal to the rates for short-term contracts.

I strongly believe we need to improve management of the Tongass and that annual review of the relative priorities within the forest, and versus other national forests, through the appropriations process, is the best way to achieve this objective. I had hoped that I could vote for a bill to do this. This bill goes too far and in my view, protecting the sanctity of Government contracts, the word of the Government, outweighs the need to achieve improved management objectives.

Fortunately, we have an alternative today. We can do both by supporting the Agriculture substitute as I will do.

Unfortunately, the Agriculture Committee does not have jurisdiction over the wilderness designations also included in this bill. The Interior bill will add an additional 1.8 million acres of wilderness to the forest—this in the Nation's largest national forest and one whose land area is already over one-third in wilderness designation.

While there may be a need to review the current land designations within the forest it should be done with public input. The designations in the Interior bill were chosen with no input from those potentially affected by having these areas permanently off limits to multiple use.

While I do not support this provision of the bill, I will vote for the Agriculture bill because it is so critical that we address the needs for improved management of the forest.

Mr. TALLON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Interior Committee's version of the Tongass Timber Reform Act. The Interior Committee version removes timber supply level language and allows the Forest Service to set cutting levels via the planning process—just like on every other national forest.

Whether it is described as a cap or a goal, if the timber supply level remains in statute, we will continue to subsidize Japanese timber purchases at a cost to the taxpayer and the environment.

Right now the U.S. Forest Service loses more than 90 cents of every taxpayer dollar it spends on behalf of the Tongass timber industry. This is not sound management.

Renegotiating the long-term timber contracts on the Tongass simply won't do the job. Keeping these one-sided contracts means that the contract holders will continue to have noncompetitive access to public timber, pay ridiculously low prices, and have the power to determine where to cut on public lands. We can solve these problems by replacing the contracts with the same standard, competitive contracts used on every other national forest.

Support H.R. 987. It makes good sense.

Mr. MRAZEK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think it is important within the context of the recent statements made here on the floor to refresh one another's memory on where we now stand with respect to the amount of money that has been spent in the Tongass National Forest and what has been recouped in the name of the Federal taxpayers who own that forest.

According to the National Forest Service—and these are the exact figures from the National Forest Service—from 1982 to 1988 the Federal Government has spent $386,003,000 on the Tongass Timber Program. According to the Forest Service, the loss to the Federal Treasury since 1982 has been $353,575,568. The average loss each year, according to the Forest Service, to the Federal Treasury is $50,510,795.

Mr. Chairman, at the same time my colleague, the gentleman from Alaska [Mr. YOUNG], who has been diligent and committed to trying to do what is best for his constituents, has pointed out to the people involved that there are jobs at stake. Well, I have here a report from the General Accounting Office, and according to the General

Accounting Office—and I quote—"Timber industry employment declined from about 2,700 jobs in 1980 to 1,420 jobs in 1986." So for the expenditure or the loss to the Federal Treasury of $353 million, we saw a cutting in half of the number of jobs in the Tongass National Forest.

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

Mr. MRAZEK. No, I will not yield at this time, but I will try to yield after I make a few points that I think are important for my colleagues to hear.

Mr. Chairman, if these contracts are canceled, what will that mean? What will it mean to people who cut down trees? What will it mean to Native corporations in Alaska? What will it mean to the company, Sea Alaska? What will it mean to the Wrangell Mill?

It will mean for the first time that Alaskans will have an opportunity, along with the Japanese-held pulp company, to compete within those areas that will allow Alaskans to bid for short-term contracts at fair, competitive rates that will benefit the American taxpayer and provide new jobs in Alaska.

The reason the timber industry is strangling in southeast Alaska is because of the sweetheart contracts these two companies have that systematically, according to the Reed Brothers case, drove out all their competition, and after driving out the competition, proceed now to ship all of the Sitka spruce trees that are 500, 600, 700, and 800 years old off to the Pacific Rim, where they are milled over there, not in Alaska but in the Pacific Rim, milled by foreign workers into the high-grade timber that they represent.

If we are going to give away that timber and continue to give it away, then I think everyone ought to recognize what the cost truly is.

□ 1330

Mr. Chairman, there is an organization called the National Taxpayers Union, and the National Taxpayers Union, it says here on the letterhead, is a nonpartisan, nonprofit organization dedicated to the public interest. They are dedicated to looking out for the interests of the American taxpayer, trying to find ways at a time of budget crisis that we can save some very needed Federal dollars for the Treasury.

Mr. Chairman, this is what the National Taxpayers Union wrote:

"In addition, two long-term timber contracts are draining revenues by providing Federal timber to two logging companies on a noncompetitive basis. Instead, timber should be sold through competitive bids and short-term sales. This would most likely return money to the Treasury in the form of higher stumpage fees."

Mr. Chairman, I urge my colleagues to oppose any amendment.

Mr. RHODES. Mr. Chairman, I move to strike the last word.

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

Mr. RHODES. I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. Mr. Chairman, the gentleman from New York [Mr. MRAZEK] is using outdated primer readers from the first grade. The information that he tried to enlighten his colleagues with is old, old, old information.

Yes, the market was depressed, and, yes, we lost jobs, but the mills stayed open so that they could have the years they are having now, and it is full employment, so do not tell me we are not losing jobs. If they do not have the long-term contracts, they will not be able to invest, like one mill has invested, $36 million into a sawmill. Another one has invested approximately $40 million in meeting all the modern environmental requirements.

So, the investments were made, and they are there for a long time to stay, if they have the timber. If they do not, they lose the jobs.

Mr. RHODES. Mr. Chairman, as the distinguished chairman of the Committee on Agriculture has observed during his remarks, every single person who has taken part in this debate has a different set of numbers. None of them match up. Nobody is really sure what the numbers are, and I suggest we ignore those numbers and concentrate on other factors in making our decision on this legislation.

Mr. Chairman, there is one number, though, that we should not ignore, and any legislator needs to know what the fiscal consequences of his vote will be, and that number again is something that nobody knows, and that is the damages to which the United States is exposed if these contracts are abrogated. As the gentleman from Kansas agreed in response to a question from the gentleman from Louisiana, these pulp mills have made substantial capital investments. There will be substantial loss of business from abrogation of the contracts. There will be substantial damages incurred to the pulp mills by loss or diminution of their capital assets, and nobody can estimate how much those damages are going to be.

Mr. Chairman, I say to my colleagues, If you vote for the Interior bill, you are voting to expose the United States to liability in amounts which cannot be calculated. If you vote for the Agriculture bill, the contracts simply must be renegotiated.

There must be no risk or liability to the United States. That should be a very significant factor to every Member of this body.

Mr. VOLKMER. Mr. Chairman, I move to strike the last word.

Mr. Chairman and my colleagues, as everyone knows, I rise in support of the substitute of the Committee on Agriculture, and there are a few things, maybe, that I would like to point out because maybe some of the Members have not devoted the amount of time that the members of the Committee on Agriculture and the Committee on Interior and Insular Affairs have on this subject, and they do not realize some things, and some things have not been said here yet today that I think are very pertinent.

I would just like to read a little item that I think would help to understand why the Committee on Agriculture has taken the position that it has as far as the contracts.

Trees, like people, are subject to disease and ailments and given time they grow old and die. The Tongass National Forest has old trees that make up the majority of the total volume. These trees have been subjected to wind, storm, snow damage, insects, fires, and rots of many types and descriptions until the natural old stand has butt rot, heart rot, frost seams, wind shake, deformities caused by insects, broken tops, and scars from trees that finally fall against them. The result today is a stand of timber of which half is suitable only for fiber or pulp.

The "net Scribner" or "net sawlog" description of timber means that at least one-third of each log is sawable. This also means that up to two-thirds of each log is suitable only for pulp chips. On the Tongass about one-half of the timber has a high content of fiber that is suitable only for chips; consequently, these logs are sent to the pulp mills. Even if these logs were sent to the sawmill, the bulk of the output of the sawmill would be pulp chips.

The reason I bring that out is that is the reason there are two pulp mills in southeast Alaska. When contracts are abrogated, it is my position, and I think very seriously about this, and I have thought about it, there is no question that that will do away with those pulp mills. When the pulp mills are done away with, the timber industry would be destroyed in southeast Alaska for the simple reason that Wrangell, or any other independent, is not going to be able to economically go in and cut the timber with the majority of it or near majority of it being pulp because they cannot use that pulp. They are sawmills for saw logs. So, we have effectively destroyed it. We have destroyed one-third of the economy of southeast Alaska under the bill of the Committee on Interior and Insular Affairs.

Mr. Chairman, I say to my colleagues, "If that's what you want to

do, you may do it. You're going to preserve, again without the timber industry, the trees in the Tongass, and they will live for a good many years. They won't be cut, and they will die just like all trees eventually die. They're going to fall over. They're going to be unused, and you're going to have 6,000 people out of work in the meantime."

Also, as I pointed out, one thing, I think, is very necessary to understand in this, that, when you abrogate these contracts, it is the pulp mill owners that are going to benefit from the damages that are going to have to be paid by the Government for abrogating those contracts. The people who worked for those pulp mill owners, those 6,000 people up there, they do not get a penny. So, we are not helping those people at all.

Mr. MORRISON of Washington. Mr. Chairman, will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman from Washington.

Mr. MORRISON of Washington. Mr. Chairman, I thank the gentleman from Missouri [Mr. VOLKMER], my chairman, for yielding.

Mr. Chairman, I just want to associate myself with his remarks and his very sound thinking on this. The substitute of the Committee on Agriculture is a measured response. It is environmentally sound. It saves the dollar financially, and it is the measure that people here voted for last year——

Mr. VOLKMER. Overwhelmingly.

Mr. MORRISON of Washington [continuing]. Overwhelmingly, and I commend it to my colleagues.

Mr. VOLKMER. Mr. Chairman, I have one last thing to point out also.

As my colleagues know, many times in my experience as a legislator in the State legislature and up here I found usually that the best bill, the one that really must be good, is the one that nobody likes really. Well, we do not. We have that in the Agriculture bill. The environmentalists, no; they support the Interior bill. The timber industry in southeast Alaska, they do not want anything done. They do not want our bill either. The Forest Service, the Federal Government says, "Wait for a year." They do not want our bill.

Mr. Chairman, the only ones that want the Agriculture substitute are those who have really studied it and know that it is an answer to the solution.

Mr. DEFAZIO. Mr. Chairman, I move to strike the last word.

Let us discuss just for a moment, Mr. Chairman, the upstanding character of the two companies we are discussing here, Reed Bros. Logging Co. versus Ketchikan Pulp Co. and Alaska Lumber & Pulp Co. In 1981, the Federal district court decided that between 1959 and 1975 APC and KPC had acted to violate the antitrust laws by driving their competition out of business. Damages were awarded to the Reed Bros. in the Ninth Circuit Court and upheld by the Supreme Court.

Illegal actions by these two upstanding companies that have been guaranteed a profit paid for by the taxpayers of the United States: Louisiana Pacific, famous for its union-busting activities, and then our Japanese conglomerate.

□ 1340

The pulp that we are talking about here is being shipped to Japan. It is being turned into finished products in Japan and being shipped back to the United States of America.

Now if we are saying that somehow we are going to get ourselves out of the hole we are in with international trade by selling raw materials to the Japanese and buying back finished products and subsidizing the production of those raw materials that we are buying back as finished products, I think our trade balance and deficit with the Japanese reflects it.

If these companies cannot make a profit without being subsidized by the taxpayers of the United States, another company will step in that can, and maybe that company will do more than create a raw material for the Japanese. Perhaps it will produce a finished product here in America that we will ship to Japan and improve our balance of payments.

It is time to stop subsidizing union-busting companies and multinational and foreign corporations. It is time to stop this practice of advising, asking, requesting, begging the Forest Service to do something. It got us nowhere. It is time to take definitive action. The Interior Committee version of the bill does that. I urge my colleagues to support the Interior Committee version of the bill.

Mr. BARTLETT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the substitute amendment of the Agriculture Committee and in support of the Interior Committee substitute for H.R. 987, the Tongass Timber Reform Act.

I do say that I have a great deal of respect for all sides of the debate and for the individuals involved. It is somewhat difficult to stand here and to support the Interior Committee substitute against the opposition of a valiant and good friend, the gentleman from Alaska, who no doubt knows a good deal more about some of the details than many of us on this floor, but it does seem to me as one who has studied the issue in some depth over the last several years that it is important to remember that this legislation is essential to bring about those reforms in the management of the Tongass Forest, which is North America's last primeval rain forest, so I support the legislation for several reasons, recognizing that there have been good and valid arguments made on both sides.

First, it is important to remember at its heart that the Tongass timber program is and has been an economic disaster, a classic case of corporate welfare. It is not capitalism. It is taxpayer-subsidized jobs programs perhaps, but nevertheless, it is very noncompetitive and strictly corporate welfare.

Presently $40 million to $50 million each year is automatically appropriated to the Tongass timber supply fund to maintain a steady supply of timber to two pulp mills under contract.

Now, in 1988 the Tongass timber sale expenditures totaled $42.4 million, but that same year the timber sale receipts amounted to only $1.2 million, or a net outlay of $41.2 million. Over the last 7 years, the timber program has seen an average annual loss of $50.5 million to the taxpayers. You do not really have to be an environmentalist, just a taxpayer, to ask why the Forest Service continues to prepare timber that the market cannot absorb.

That is really what goes to the heart of the need to terminate these contracts, because these two long-term contracts are unique. They are anticompetitive and they require the U.S. taxpayers to pay for building roads and making the forest ready to harvest timber that the marketplace does not want to buy and no other forest in the country would purchase that timber in any kind of a competitive sale.

The contracts guarantee two things, and that is why they are objectionable and need to be terminated. First, they guarantee the sale of a fixed amount of timber, in this case 4.5 billion board feet per decade, regardless of the market demand.

Second, they guarantee that the contract holder, the pulp mills, the privilege of selecting areas that the Forest Service would otherwise have permanently reserved from harvesting.

Now, understand what that means. What that means is that in other forests the Forest Sevice will reserve certain areas from harvesting, but in these two contracts the Forest Service is precluded from doing so.

Would the elimination or termination of these two cotracts eliminate jobs in the timber industry? Some would say yes, but I think not.

The fact is that the timber industry is alive and well in the United States, using short-term competitive timber sales. These mills would still be able to, and indeed still would, on a short-term Forest Service management guidelines competitive basis, to pur-

chase their timber while competing against other mills and, indeed, competing against the market so that these mills would be allowed, as every other mill in the country, to purchase the timber that the market will require, but it would not require the taxpayers to make the land ready, to build roads into the Tongass for timber that is not going to be sold.

Second, it seems to me the Tongass program as it currently exists actually threatens jobs. Tourism is one of Alaska's fastest growing industries. Tourists do not visit Alaska to see thousands of acres of clearcuts. They come to enjoy the towering Sitka spruce and hemlock, ancient trees 6 to 8 feet in diameter that have taken hundreds of years to reach maturity. They come to experience millions of acres of undisturbed wilderness in one of the last remaining rain forests in the temperate zones of the world. Roadbuilding and clearcutting will only turn them away.

Salmon fishing is another flourishing industry in southeast Alaska; 90 percent of the $75 million annual salmon catch in southeast Alaska was hatched in the streams and lakes of the Tongass.

The current Federal long-term program threatens those jobs. I urge a vote in opposition to the Agriculture Committee substitute.

Mr. Chairman, I rise in support of the Interior substitute for H.R. 987, the Tongass Timber Reform Act. This legislation is essential to bring about needed reforms in the management of the Tongass Forest, North America's last primeval rain forest. I support this legislation for several reasons:

First, the Tongass Timber Program is an economic disaster—a classic case of corporate welfare. Presently $40 to $50 million each year is automatically appropriated to the Tongass timber supply fund to maintain a steady supply fo timber to two pulp mills. In 1988, Tongass timber sale expenditures totaled $42.4 million. That same year timber sale receipts amounted to $1.2 million—resulting in a net outlay of $41.2 million. Over the past 7 years the Timber Program has seen an average annual loss of $50.5 million. You don't have to be an environmentalist—just a taxpayer—to ask why the Forest Service continues to prepare timber that the market cannot absorb.

Second, this program actually threatens jobs. Tourism is the region's fastest growing industry. Tourists don't visit Alaska to see thousands of acres of clear cuts. They come to enjoy the towering Sitka spruce and hemlock, ancient trees 6 to 8 feet in diameter, that have taken hundreds of years to reach maturity. They come to experience millions of acres of undisturbed wilderness in one of the last remaining rain forests in the temperate zones of the world. Roadbuilding and clearcutting will only turn them away.

Salmon fishing is another flourishing industry in southeast Alaska. An estimated 90 percent of the $75 million annual salmon catch in southeast Alaska was hatched in the streams and lakes of the Tongass. The timbering operations devastate hundreds of thousands of acres of prime hunting and fishing habitat. Clearly the long-term health of the forest is of great value to both the tourist and fishing industries. The Forest Service is putting these two prosperous, tax-paying industries at risk with a doomed effort to support the faltering timber industry. By subsidizing 1,781 timber jobs in the Tongass, the program jeopardizes 3,500 jobs in the fishing industry and 3,600 jobs in the tourism industry in southeast Alaska.

Finally, continuation of the Tongass program would be an environmental disaster. The Tongass is one of the last remaining rain forests in the temperate zones of the world. It is home to the world's largest concentrations of grizzly bears and bald eagles. Sitka blacktailed deer thrive in this old-growth forest, protected by the massive forest canopy from periodic deep snows during the harsh winter months. To say that the animals depend on the forest is an understatement. The Tongass is an enormously complex and delicate combination of ecosystems fit together in ways that biologists are just beginning to understand. This magnificent forest is threatened with destruction by the Timber Program. It would be bad enough to permit its destruction if we needed the resources, but to subsidize it is intolerable.

Mr. MILLER of California. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the Agriculture Committee substitute.

Mr. Chairman, we have had a lively debate here on the floor. I think we have come to about the end of it, where we will get a choice between the Agriculture Committee substitute and the Interior Committee bill. It is quite a distinct choice, because the status quo which has continued to rob tens of millions of dollars from the taxpayers of this country for over 30 years to force feed timber to these two pulp mills for the purpose of creating jobs.

As we have audited that program over the last decade, as we have investigated and reviewed it, what has become very clear is these mills have made a lot of money. They have made a lot of money because they have been living off taxpayer dollars.

The employment that we thought we were going to bring to southeast Alaska did not come. In fact, the employment in the timber industry has been going down, but somehow the Agriculture Committee would tell Members of this House that they must commit themselves to taking another half a billion dollars from the taxpayers over the remaining life of these contracts on some notion of a mindless commitment to these contracts, even though the other parties to the contracts have in fact breached the contracts and owe the Federal Government $80 million for the breach of those contracts.

Now, the Agriculture Committee would lead you to believe that if they simply direct the Forest Service to renegotiate these contracts, the Forest Service will do that. When we asked the Forest Service to renegotiate in the bill last year, they opposed that bill. When this Congress passed that bill overwhelmingly, the Forest Service continued to refuse to make the fundamental changes.

Now, a lot of people said that if you vote for the Interior Committee bill you are going to cause people to lose their jobs, 6,000 people. There is no evidence in the record that will take place at all.

They have said if you vote for the Interior Committee bill that the timber will be gone and these mills will close. The Interior Committee bill allows more timber to be offered to these mills than they have ever cut during their lifetime by about 100 million board feet each and every year.

Why? Because we preserve the timber economy in the Interior Committee bill. What we do not preserve is the raid on the taxpayers. We say to the Ketchikan Pulp Co., we say to the Alaska Pulp Co., "Get your hands out of our pockets. Go out and compete in the free-enterprise system. For 30 years you have been milking us; now go out and try it on your own." Other mills do it. The timber industry all over the country competes with one another, and they have down years and up years, and there are years that we make more timber available when they are having a tough time, and there are years when we restrict it.

□ 1350

Only in this forest do we force-feed this industry no matter what the economy is, no matter what the market is. Why? Because they can export the pulp. They can export the valuable logs.

Some people have said it is getting better; the price has been rising under the Forest Service renegotiations. Even the most recent figures cited here, the fact of the matter is, they are still 10 times below the value that the Forest Service puts on those logs and maybe 20 times below the value that those logs are then sold for in Japan.

In the Reid Bros. investigation, what have we seen? We have seen the very same companies that have used the taxpayer dollars to build the roads and to harvest the timber double escrow. We know the term. They double escrow it. They buy it, one company buys it from the U.S. Treasury for $1.48. They sell it immediately to a dummy company. The dummy company sells it to another, and they turn around and sell it to the pulp mill. Then the pulp mill sells it to another company that sells it in Japan. Is that what Members want to be party to? Is that what Members want their constituents to be party to? Because if

Members do not cancel the contract, it is another half-billion dollars.

The Committee on Agriculture says that we can just not walk away from the contracts. What do they do? They say to the Forest Service, "Change these contracts, and if necessary, do it unilaterally."

The CHAIRMAN. The time of the gentleman from California [Mr. MILLER] has expired.

(By unanimous consent, Mr. MILLER of California was allowed to proceed for 2 additional minutes.)

Mr. MILLER of California. Mr. Chairman, they say to do it unilaterally, because they are in the spirit of honoring contracts. The Committee on Agriculture says, in section 102(b), "We will deem what you do in conformance with the contracts." Do Members really believe they are going to escape a lawsuit? Do they really believe that?

The damages that have been discussed here are only if the pulp mills do not have timber. But they have a guarantee under our bill of more timber than they have ever cut in the last decade.

It has been a long and tortuous task for this committee, for the Committee on Appropriations. We have tried to reform this program time and again with directives to the Forest Service. They have chosen not to do that.

The Committee on Agriculture has reviewed these contracts, and I want to say how much I appreciate the views and the support of members of the Committee on Agriculture for the Committee on the Interior bill, of the gentleman from California [Mr. BROWN], my colleague, the gentleman from Kansas [Mr. GLICKMAN], the gentleman from North Carolina [Mr. ROSE], the gentleman from North Carolina [Mr. LANCASTER], the gentleman from West Virginia [Mr. STAGGERS], the people who sat in that committee and reviewed this and determined that the Committee on the Interior is headed in the right direction, the gentleman from Indiana [Mr. JONTZ], the gentleman from Minnesota [Mr. PENNY], the gentleman from South Carolina [Mr. TALLON], the gentleman from South Dakota [Mr. JOHNSON], the gentleman from Colorado [Mr. CAMPBELL], the gentleman from Maryland [Mr. DYSON], the gentleman from Iowa [Mr. NAGLE], and the gentleman from Georgia [Mr. HATCHER]. They understand the impact of that bill on the taxpayers. That is why these contracts must be terminated, because no other activity by the Committee on Appropriations, by the Committee on Agriculture, or by the Committee on the Interior has brought about the kind of reforms that are necessary to save the economy in southeast Alaska, to save this resource, and finally to save the taxpayers' money that they are entitled to be saved.

I would ask for a no vote on the Agriculture substitute.

Mr. YOUNG of Alaska. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. The gentleman from Alaska has already been recognized on this amendment.

Mr. YOUNG of Alaska. Mr. Chairman, I ask unanimous consent to proceed.

The CHAIRMAN. Is there objection to the request of the gentleman from Alaska [Mr. YOUNG] to allow the gentleman to take 5 minutes?

Mr. MILLER of California. Mr. Chairman, reserving the right to object, I would not object if I am accorded the same unanimous-consent request. The gentleman has already spoken.

The CHAIRMAN. Does the gentleman from California object?

Mr. MILLER of California. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. MORRISON of Washington. Mr. Chairman, I move to strike the last word.

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

Mr. MORRISON of Washington. I am happy to yield to my colleague, the gentleman from Alaska.

Mr. YOUNG of Alaska. Mr. Chairman, I would just like to thank the committee for listening to this lengthy debate and thank the Members who have indicated that they would support the Agriculture bill in the sense of justice and fairness, and urge those who are seeking the passage of 987 that has come out of Interior to reconsider.

I also would like to clarify two things. I sat through this bill and the redwood forest legislation by the former and great colleague, Mr. Burton, and listened to the same speech my friend, the gentleman from California, made about the redwoods and how it was not going to have a loss of jobs. There are no jobs in the redwoods, and it has cost us $1,400,000,000, and that is just the beginning. The Agriculture bill saves money.

There has been a lot of reference to the Taxpayers' Union. I would like to ask who they are, and who do they represent. Because if they had analyzed these two bills, the Agriculture bill saves over $400 million more than the Interior bill. I would like to have the so-called nonprofit organization, their broad members, check out their legislative liaison and find out who she really represents, because if she wants to save the taxpayers money, she will support the Agriculture bill. She is out here shilling for the Interior bill, and I question that.

Those who have an alliance to the Taxpayers' Union had better look at these figures very closely, because the Agriculture bill saves a great deal more money than the Interior bill. The difference is that the Agriculture bill keeps the industry and the people of Alaska working, and the Interior bill puts them out of work and removes them from Alaska, and that is the intent of the Interior bill. That is all it is.

I am asking my colleagues to vote yes on the Agriculture bill and give us a resounding vote of what is right for the Nation, what is right for the State, and what is directly honest to the people of this great Nation.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Texas [Mr. DE LA GARZA], as amended.

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

RECORDED VOTE

Mr. MILLER of California. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 114, noes 269, not voting 18, as follows:

[Roll No. 137]

AYES—144

Anderson	Hall (TX)	Regula
Anthony	Hammerschmidt	Rhodes
Applegate	Hancock	Ridge
Archer	Hansen	Roberts
Armey	Harris	Robinson
Baker	Hayes (LA)	Rogers
Ballenger	Hefley	Rohrabacher
Barton	Herger	Roth
Bateman	Holloway	Sarpalius
Bentley	Houghton	Schaefer
Bereuter	Hubbard	Schiff
Bevill	Huckaby	Schuette
Bliley	Hunter	Schulze
Bosco	Inhofe	Shumway
Broomfield	Johnson (CT)	Shuster
Brown (CO)	Jones (NC)	Skeen
Bunning	Kasich	Skelton
Burton	Kyl	Slaughter (VA)
Bustamante	Lagomarsino	Smith (IA)
Callahan	Laughlin	Smith (MS)
Chandler	Lent	Smith (NE)
Chapman	Lewis (CA)	Smith (TX)
Clinger	Lewis (FL)	Smith, Denny (OR)
Coleman (MO)	Lightfoot	Smith, Robert (OR)
Coleman (TX)	Livingston	Solomon
Combest	Lowery (CA)	Stallings
Cox	Madigan	Stangeland
Craig	Marlenee	Stearns
Crane	McCandless	Stenholm
Dannemeyer	McCollum	Stump
Davis	McCrery	Sundquist
de la Garza	McDade	Swift
Dickinson	McEwen	Tauzin
Dornan (CA)	Michel	Thomas (CA)
Dreier	Miller (OH)	Thomas (GA)
Duncan	Molinari	Thomas (WY)
Emerson	Mollohan	Upton
Espy	Montgomery	Vander Jagt
Fields	Moorhead	Volkmer
Flippo	Morrison (WA)	Vucanovich
Gallegly	Myers	Walker
Gallo	Nielson	Walsh
Gekas	Oberstar	Watkins
Gingrich	Olin	Whittaker
Goodling	Ortiz	Wylie
Gradison	Oxley	Young (AK)
Grandy	Packard	
Grant	Parker	
Gunderson	Pashayan	

NOES—269

Ackerman	Gray	Paxon
Akaka	Green	Payne (NJ)
Alexander	Guarini	Payne (VA)
Andrews	Hall (OH)	Pease
Annunzio	Hamilton	Pelosi
Aspin	Hatcher	Penny
Atkins	Hawkins	Perkins
AuCoin	Hayes (IL)	Petri
Barnard	Hefner	Pickett
Bartlett	Henry	Pickle
Bates	Hertel	Porter
Beilenson	Hiler	Poshard
Bennett	Hoagland	Price
Berman	Hochbrueckner	Pursell
Bilbray	Horton	Rahall
Bilirakis	Hoyer	Rangel
Boehlert	Hughes	Ray
Boggs	Hutto	Richardson
Bonior	Ireland	Rinaldo
Borski	Jacobs	Ritter
Boucher	James	Roe
Boxer	Jenkins	Rose
Brennan	Johnson (SD)	Rostenkowski
Brooks	Johnston	Roukema
Browder	Jones (GA)	Rowland (CT)
Brown (CA)	Jontz	Rowland (GA)
Bruce	Kanjorski	Roybal
Bryant	Kaptur	Russo
Buechner	Kastenmeier	Sabo
Byron	Kennedy	Saiki
Campbell (CA)	Kennelly	Sangmeister
Campbell (CO)	Kildee	Savage
Cardin	Kolbe	Sawyer
Carper	Kolter	Saxton
Carr	Kostmayer	Scheuer
Clarke	LaFalce	Schneider
Clay	Lancaster	Schroeder
Clement	Lantos	Schumer
Coble	Leach (IA)	Sensenbrenner
Conte	Lehman (CA)	Sharp
Cooper	Lehman (FL)	Shaw
Costello	Leland	Shays
Coughlin	Levin (MI)	Sikorski
Coyne	Levine (CA)	Sisisky
Crockett	Lewis (GA)	Skaggs
Darden	Lipinski	Slattery
DeFazio	Lloyd	Slaughter (NY)
Dellums	Long	Smith (FL)
Derrick	Lowey (NY)	Smith (NJ)
DeWine	Luken, Thomas	Smith (VT)
Dicks	Lukens, Donald	Smith, Robert (NH)
Dingell	Machtley	Snowe
Dixon	Manton	Solarz
Donnelly	Markey	Spence
Dorgan (ND)	Martin (IL)	Spratt
Douglas	Martinez	Staggers
Downey	Matsui	Stark
Durbin	Mavroules	Stokes
Dwyer	Mazzoli	Studds
Dymally	McCloskey	Synar
Dyson	McCurdy	Tallon
Early	McDermott	Tanner
Eckart	McGrath	Tauke
Edwards (CA)	McHugh	Torres
Engel	McMillan (NC)	Torricelli
Erdreich	McMillen (MD)	Towns
Evans	McNulty	Traficant
Fascell	Meyers	Traxler
Fawell	Mfume	Udall
Fazio	Miller (CA)	Unsoeld
Feighan	Miller (WA)	Valentine
Fish	Mineta	Vento
Flake	Moakley	Visclosky
Florio	Moody	Walgren
Foglietta	Morella	Waxman
Ford (MI)	Morrison (CT)	Weber
Ford (TN)	Mrazek	Weiss
Frank	Murtha	Weldon
Frost	Natcher	Wheat
Garcia	Neal (MA)	Whitten
Gaydos	Neal (NC)	Williams
Gejdenson	Nelson	Wilson
Gephardt	Nowak	Wise
Gibbons	Oakar	Wolf
Gillmor	Obey	Wolpe
Gilman	Owens (NY)	Wyden
Glickman	Owens (UT)	Yates
Gonzalez	Pallone	Yatron
Gordon	Panetta	Young (FL)
Goss	Patterson	

NOT VOTING—18

Collins	Courter	Edwards (OK)
Conyers	DeLay	English
Frenzel	Kleczka	Nagle
Hastert	Leath (TX)	Parris
Hopkins	Martin (NY)	Quillen
Hyde	Murphy	Ravenel

□ 1416

The Clerk announced the following pairs:

On this vote:

Mr. Hastert for, with Mr. Conyers against.

Mr. Quillen for, with Mr. Kleczka against.

Mrs. LLOYD and Messrs. DONALD E. "BUZ" LUKENS, BROOKS, BUECHNER, DICKS, PAXON, and HILER changed their vote from "aye" to "no."

Mr. McEWEN and Mr. ARCHER changed their vote from "no" to "aye."

So the amendment in the nature of a substitute, as amended, was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. KLECZKA. Mr. Chairman, I was unavoidably detained on rollcall vote No. 137. Had I been here, I would have voted "no."

The CHAIRMAN. Are there further amendments to section 1?

Mr. MILLER of California. Mr. Chairman, I ask unanimous consent that the remainder of the bill be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The balance of the text of H.R. 987 is as follows:

TITLE I—ALASKA NATIONAL INTEREST LANDS CONSERVATION ACT AMENDMENTS

SEC. 101. TO REQUIRE ANNUAL APPROPRIATIONS FOR TIMBER MANAGEMENT AND RESOURCE CONSERVATION ON THE TONGASS NATIONAL FOREST.

Section 705(a) of the Act (16 U.S.C. 539d.(a)) is repealed effective October 1, 1989.

SEC. 102. IDENTIFICATION OF LANDS UNSUITABLE FOR TIMBER PRODUCTION.

Section 705(d) of the Act (16 U.S.C. 539d(d)) is hereby repealed.

SEC. 103. FUTURE REPORTS ON THE TONGASS NATIONAL FOREST.

(a) MONITORING.—The second sentence of section 706(a) of the Act (16 U.S.C. 539e.(a)) is hereby repealed.

(b) STATUS.—Section 706(b) of the Act (16 U.S.C. 539e.(b)) is amended as follows:

(1) Strike out "and (4)" and insert in lieu thereof "(4)".

(2) Strike out the period at the end of the section and insert in lieu thereof ", and (5) the impact of timber management on subsistence resources, wildlife, and fisheries habitats.".

(c) CONSULTATION.—Section 706(c) of the Act (16 U.S.C. 539e.(c)) is amended by striking out "and the Alaska Land Use Council" and inserting in lieu thereof "the southeast Alaska commercial fishing industry, and the Alaska Land Use Council".

SEC. 104. ADMINISTRATION.

Section 705 (16 U.S.C. 539d) of the Act is amended by adding at the end thereof the following:

"(e) FISHERIES PROTECTION.—In order to assure protection of riparian habitat, the Secretary of Agriculture shall maintain a minimum buffer zone width of 100 feet, consisting of natural, existing undisturbed forest, on each side of all anadromous fish streams and their tributaries in the Tongass National Forest within which logging shall be prohibited.

"(f) TENAKEE SPRINGS ROAD PROHIBITION.—A vehicular access road connecting the Indian River and Game Creek roads may not be constructed, and the Secretary of Agriculture shall not engage in any further efforts to connect the city of Tenakee Springs with the logging road system on Chicagof Island.".

TITLE II—TERMINATION OF LONG-TERM TIMBER SALE CONTRACTS IN ALASKA

SEC. 201. TERMINATION.

Title V of the Act is amended by adding at the end thereof the following new section:

"SEC. 508. TERMINATION OF LONG-TERM TIMBER SALE CONTRACTS IN ALASKA.

"(a) FINDING.—The Congress hereby finds and declares that it is in the national interest to assure that valuable public resources in the Tongass National Forest are protected and wisely managed. Termination of the long-term timber sale contracts is necessary because the contracts prevent proper Forest Service Management, allow the holders to concentrate logging in the rare, high-volume old growth forest most valuable for fish and wildlife habitat, threaten natural resource dependent communities and industries, and undermine competition within the southeast Alaska timber industry.

"(b) TERMINATION OF LONG-TERM TIMBER SALE CONTRACTS.—Not later than 90 days after the date of enactment of this section, the Secretary of Agriculture shall terminate the long-term timber sale contracts numbered 12-11-010-1545 and A10fs-1042 between the United States and Alaska Pulp Corporation, and between the United States and Ketchikan Pulp Company, respectively.

"(c) SUBSTITUTION OF SHORT-TERM TIMBER SALES.—The Secretary of Agriculture is authorized to make available sufficient volumes of timber to meet actual market demand as determined pursuant to planning process specified in section 6 of the Forest and Rangeland Renewable Resource Planning Act of 1974 and other applicable laws. Timber sales shall be offered for competitive bid and administered consistent with standard, short-term timber sales on other national forests.".

TITLE III—WILDERNESS

SEC. 301. ADDITIONAL WILDERNESS AREAS.

(a) DESIGNATION.—Section 703 of the Act is amended by adding at the end thereof the following:

"(c) DESIGNATION OF ADDITIONAL WILDERNESS ON THE TONGASS NATIONAL FOREST.—In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131-1136), the following lands within the Tongass National Forest in the State of Alaska are hereby designated as wilderness and therefore as components of the National Wilderness Preservation Systems:

"(1) ANAN CREEK WILDERNESS.—Certain lands which comprise approximately 38,415 acres, as generally depicted on a map entitled 'Anan Creek Wilderness—Proposed' and

dated May, 1989, which shall be known as the Anan Creek Wilderness.

"(2) BERNERS BAY WILDERNESS.—Certain lands which comprise approximately 46,135 acres, as generally depicted on a map entitled 'Berners Bay Wilderness—Proposed' and dated May, 1989, which shall be known as the Berners Bay Wilderness.

"(3) CALDER-HOLBROOK WILDERNESS.—Certain lands which comprise approximately 68,693 acres, as generally depicted on a map entitled 'Calder-Holbrook Wilderness—Proposed' and dated May, 1989, which shall be known as the Calder-Holbrook Creek Wilderness.

"(4) CHICHAGOF WILDERNESS.—Certain lands which comprise approximately 347,733 acres, as generally depicted on a map entitled 'Chichagof Wilderness—Proposed' and dated May, 1989, which shall be known as the Chichagof Wilderness.

"(5) CHUCK RIVER WILDERNESS.—Certain lands which comprise approximately 124,539 acres, as generally depicted on a map entitled 'Chuck River Wilderness—Proposed' and dated May, 1989, which shall be known as the Chuck River Wilderness.

"(6) KADASHAN WILDERNESS.—Certain lands which comprise approximately 34,044 acres, as generally depicted on a map entitled 'Kadashan Wilderness—Proposed' and dated May, 1989, which shall be known as the Kadashan Wilderness.

"(7) KARTA RIVER WILDERNESS.—Certain lands which comprise approximately 39,886 acres, as generally depicted on a map entitled 'Karta River Wilderness—Proposed' and dated May, 1989, which shall be known as the Karta River Wilderness.

"(8) KEGAN LAKE WILDERNESS.—Certain lands which comprise approximately 24,655 acres, as generally depicted on a map entitled 'Kegan Lake Wilderness—Proposed' and dated May, 1989, which shall be known as the Kegan Lake Wilderness.

"(9) NAHA RIVER WILDERNESS.—Certain lands which comprise approximately 31,794 acres, as generally depicted on a map entitled 'Naha River Wilderness—Proposed' and dated May, 1989, which shall be known as the Naha River Wilderness.

"(10) NUTKWA WILDERNESS.—Certain lands which comprise approximately 52,654 acres, as generally depicted on a map entitled 'Nutkwa Wilderness—Proposed' and dated May, 1989, which shall be known as the Nutkwa Wilderness.

"(11) OUTSIDE ISLANDS WILDERNESS.—Certain lands which comprise approximately 98,572 acres, as generally depicted on a map entitled 'Outside Islands Wilderness—Proposed' and dated May, 1989, which shall be known as the Outside Islands Wilderness.

"(12) PLEASANT-LEMESURIER-INIAN ISLANDS WILDERNESS.—Certain lands which comprise approximately 23,140 acres, as generally depicted on a map entitled Pleasant-Lemesurier-Inian Islands Wilderness—Proposed' and dated May, 1989, which shall be known as the Pleasant-Lemesurier-Inian Islands Wilderness.

"(13) POINT ADOLPHUS-MUD BAY WILDERNESS.—Certain lands which comprise approximately 73,346 acres, as generally depicted on a map entitled 'Point Adolphus-Mud Bay Wilderness—Proposed' and dated May, 1989, which shall be known as the Point Adolphus-Mud Bay Wilderness.

"(14) PORT HOUGHTON-SANBORN CANAL WILDERNESS.—Certain lands which comprise approximately 58,915 acres, as generally depicted on a map entitled 'Port Houghton-Sanborn Canal Wilderness—Proposed' and dated May, 1989, which shall be known as the Port Houghton-Sanborn Canal Wilderness.

"(15) ROCKY PASS WILDERNESS.—Certain lands which comprise approximately 75,734 acres, as generally depicted on a map entitled 'Rocky Pass Wilderness—Proposed' and dated May, 1989, which shall be known as the Rocky Pass Wilderness.

"(16) SARKAR LAKES WILDERNESS.—Certain lands which comprise approximately 25,650 acres, as generally depicted on a map entitled 'Sarkar Lakes Wilderness—Proposed' and dated May, 1989, which shall be known as the Sarker Lakes Wilderness.

"(17) SOUTH ETOLIN ISLAND WILDERNESS.—Certain lands which comprise approximately 83,642 acres, as generally depicted on a map entitled 'South Etolin Island Wilderness—Proposed' and dated May, 1989, which shall be known as the South Etolin Island Wilderness.

"(18) SOUTH KUIU WILDERNESS.—Certain lands which comprise approximately 191,532 acres, as generally depicted on a map entitled 'South Kuiu Wilderness—Proposed' and dated May, 1989, which shall be known as the South Kuiu Wilderness.

"(19) SULLIVAN ISLAND WILDERNESS.—Certain lands which comprise approximately 4,032 acres, as generally depicted on a map entitled 'Sullivan Island Wilderness—Proposed' and dated May, 1989, which shall be known as the Sullivan Island Wilderness.

"(20) TRAP BAY WILDERNESS.—Certain lands which comprise approximately 6,667 acres, as generally depicted on a map entitled 'Trap Bay Wilderness—Proposed' and dated May, 1989, which shall be known as the Trap Bay Wilderness.

"(21) WEST DUNCAN CANAL WILDERNESS.—Certain lands which comprise approximately 134,627 acres, as generally depicted on a map entitled 'West Duncan Canal Wilderness—Proposed' and dated May, 1989, which shall be known as the West Duncan Canal Wilderness.

"(22) YAKUTAT FORELANDS WILDERNESS.—Certain lands which comprise approximately 220,268 acres, as generally depicted on a map entitled 'Yakutat Forelands Wilderness—Proposed' and dated May, 1989, which shall be known as the Yakutat Forelands Wilderness.

"(23) YOUNG LAKE WILDERNESS ADDITION TO ADMIRALITY ISLAND NATIONAL MONUMENT.—Certain lands which comprise approximately 18,702 acres, as generally depicted on a map entitled 'Young Lake Wilderness—Proposed' and dated May, 1989, which shall be managed as an addition to the Admiralty Island National Monument.

"(d) APPLICATION OF SECTION 1315(E).—Section 1315(e) of this Act (16 U.S.C. 3202(e)) shall not apply to the wilderness designated by subsection (c).".

"(b) ADMINISTRATION.—Section 707 of the Act is amended by adding the following at the end thereof: "Subject to valid existing rights, the wilderness areas designated in amendments made to section 703(c) of this Act by the Tongass Timber Reform Act shall be administered by the Secretary of Agriculture in accordance with this section, except that, in the case of such areas, any reference in the provisions of the Wilderness Act to the effective date of the Wilderness Act (or any similar reference) shall be deemed to be a reference to the date of enactment of the Tongass Timber Reform Act."

AMENDMENT OFFERED BY MR. VOLKMER

Mr. VOLKMER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VOLKMER: On page 3 by striking on line 10 "Section 705(a)" and inserting "(a) Section 705(a)"; and

On page 3 by striking lines 18 and 19 and inserting the following:

"(a) MONITORING.—Section 706(a) of the Act (16 U.S.C. 539e(a)) is amended—

"(1) by striking 'the Committee on Interior and Insular Affairs' and inserting 'the Committee on Agriculture and the Committee on Interior and Insular Affairs'; and

"(2) by striking the second sentence and inserting the following new sentence: 'This report shall include a complete analysis of the losses or gains sustained by the United States Government with respect to long-term, short-term and total sales of timber from the Tongass National Forest using information from the statement on revenues and expenses of the Timber Sale Program Information Reporting System and shall display total costs, unit costs (per thousand board feet of timber sold or released) and associated revenues, for the current and previous two years of operations.' ".

Mr. VOLKMER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. VOLKMER. Mr. Chairman and members of the committee, this amendment is part of the Agriculture substitute which was agreeable to the Committee on Interior which we had worked out previously and was also included in last year's Tongass bill. It consists of a modification of existing requirements for annual reports on timber supply and demand as provided in ANILCA, section 706(a).

□ 1420

I believe the gentleman from California is willing to accept the amendment, and I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, we have looked at the amendment. We have no problem with it, and would agree to accept it.

Mr. VOLKMER. Mr. Chairman, I yield to the gentleman from Washington.

Mr. MORRISON of Washington. Mr. Chairman, we are delighted with the amendment and thank the gentleman for offering it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. VOLKMER].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. OLIN

Mr. OLIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OLIN: H.R. 987 is amended by adding at the end the following:

"TITLE IV—IMPROVEMENT OF THE MANAGEMENT OF THE TONGASS NATIONAL FOREST.

"SECTION 401. MANAGEMENT OF THE TONGASS NATIONAL FOREST.

"(a) FINDINGS.—The Congress finds that—

"(1) the commercial fishing, recreation, timber, and tourism industries each make a substantial contribution to the economy of southeast Alaska and their ability to contribute in the future depends upon balanced planning and management of the Tongass National Forest; and

"(2) the Secretary of Agriculture should plan and manage the Tongass National Forest in manner that adequately protects and enhances fish, wildlife, and recreation resources, as well as timber, and should act in the long-term best interests of all natural resources dependent industries and subsistence communities in southeast Alaska.

"(b) PURPOSES.—The purposes of this section are to require the Secretary of Agriculture to—

"(1) assess the extent to which planning and management of the Tongass National Forest prior to the enactment of this Act has differed from planning for, and management of, other national forests; and

"(2) change, in conformance with laws applicable to the National Forest System, planning and management priorities regarding the Tongass National Forest so as to assure that greater emphasis is given to the long-term best interests of the commercial fishing, recreation, and tourism industries, subsistence communities in southeast Alaska, and the national interest in the fish and wildlife and other natural resources of the Tongass National Forest.

"(c) DIRECTIVE.—The Secretary of Agriculture is authorized and directed to take such steps as are necessary in current management practices and in revisions of the Tongass land management plan to achieve the purposes described in subsection (b).

"(d) OLD-GROWTH FOREST MANAGEMENT.—In developing the land management plan for the Tongass National Forest pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, the Secretary shall—

"(1) provide for sustained production of old-growth forest resources within the Tongass National Forest; and

"(2) upon completion of the draft of such plan, which shall be completed in any event not later than one year after the date of enactment of this Act, report to the Committees on Agriculture and on Interior and Insular Affairs of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate on provisions incorporated into such plan to meet the objective set forth in paragraph (1). The report shall include—

"(A) the definition of the term 'old-growth forest' used for purposes of such plan;

"(B) the quantity and distribution of old-growth forest in the Tongass National Forest;

"(C) the management objectives and guidelines incorporated into such plan to provide for sustained production of old-growth forest resources;

"(D) the criteria used to determine how to integrate old-growth forest management objectives into the plan; and

"(E) the relationship between old-growth forest management objectives and other resource management goals affecting timber, fish, and wildlife, water quality, recreation, subsistence uses, and aesthetics."; and

By striking on page 3 line 24 on page 3 through line 2 on page 4 and inserting the following:

"(2) strike the period at the end of the section and insert ', (5) the impact of timber management on subsistence resources, wildlife, and fisheries habitats, and (6) the steps taken by the Secretary of Agriculture under section 401(c) of the Tongass Timber Reform Act.'.".

Mr. OLIN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. OLIN. Mr. Chairman, this amendment deals with the instructions to the Secretary to give greater emphasis to nontimber resources in the Tongass, and directs the Secretary to provide for sustained production of old growth forest.

Mr. Chairman, I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, we had a chance to examine the amendment. It is a very good amendment. I think it recognizes what we all do, the emerging diversity of the economy of southeast Alaska. We would be willing to accept it. I thank the gentleman for his work on behalf of the amendment.

Mr. OLIN. Mr. Chairman, I yield to the gentleman from Washington [Mr. MORRISON].

Mr. MORRISON of Washington. Mr. Chairman, this language is listed in the management section of the Agriculture substitute and reflects what we think is a responsible approach to management of this area. I compliment the gentleman and am pleased he offered this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. OLIN].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. VOLKMER

Mr. VOLKMER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VOLKMER: H.R. 987 is amended on page 4 by striking lines 11 through 17 and inserting the following:

"(e) FISHERIES PROTECTION.—The Secretary of Agriculture shall maintain a minimum buffer zone of 100 feet on each side of all anadromous fish streams in the Tongass National Forest. Logging shall be prohibited within such buffer zone. The Secretary shall also maintain a buffer zone along all tributaries of such streams in accordance with best management practices for water quality.".

Mr. VOLKMER. (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. VOLKMER. Mr. Chairman, this amendment directs itself to the language in the Interior bill having to do with buffer zones, along an anadromous stream where there is hatching of the fish, and its changes the language in the Interior bill. The Interior bill is very exclusive, put it that way. It almost covered most of the forest prohibiting any forestry in that. This language had been worked with the Alaska sailors, language that they provided, the fishermen in Alaska, to Members, in order to clarify that, and does give protection to the streams where the fishing, the hatcheries are for the fish, for salmon, while, at the same time it does permit outside of buffer zones for timber to be cut. It also provides for crossing of streams, which the Interior bill did not do, so that a person cannot go ahead and cut in other areas.

Mr. Chairman, I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. In reading the gentleman's amendment in the RECORD, it says the Secretary of Agriculture shall maintain a minimum buffer zone of 100 feet on each side of the anadromous fish streams in the Tongass National Forest. Logging shall be permitted within such buffer zone.

Is logging defined as the destruction of the falling of trees, in order to construct those roads or in the case of building bridges?

Mr. VOLKMER. Yes.

Mr. YOUNG of Alaska. And you cannot cross the buffer zone?

Mr. VOLKMER. Yes, you can cross the buffer zone. Logging does not include crossing streams.

Mr. YOUNG of Alaska. If the gentleman continues to yield, is there objection to offering that "access to class of buffer zone shall be maintained"?

Mr. VOLKMER. I do not know if the gentleman wants to say "shall" be maintained. I have reservations about requiring them to build them.

Mr. YOUNG of Alaska. I am concerned the way the language is written, that one of these local lawyers that are trying to make livings out of other people's corpses are going to say that no logging shall occur in the one zone, and in fact, that will be the interpretation that there will be court action, because in fact, a falling of a tree to build a road or a bridge is logging, and you cannot have a buffer zone if you cannot go across it to get to the other area.

Mr. VOLKMER. It is our intention in working with the Forest Service on this, also, that this language would permit the crossing of streams. Would not it permit the building of roads, within that buffer zone? I mean, along that period?

Mr. YOUNG of Alaska. If the gentleman continues to yield, my problem with this language, if I go from A to C, and I have to cross B, which is a buffer zone, to get to C, a reasonable and environmentally safe area, according to this language, I will not be able to go across the stream.

Mr. VOLKMER. It is my understanding from the Forest Service that one would be able to.

Mr. YOUNG of Alaska. Any objection to offering language to say one can?

Mr. VOLKMER. That one would be able to permit it for the purpose of crossing streams?

Mr. YOUNG of Alaska. Would be able to cross streams.

Mr. VOLKMER. I have no objection to allowing, not mandating.

Mr. YOUNG of Alaska. Will the gentleman continue to yield, no, not mandate.

Mr. VOLKMER. I yield to the gentleman from California.

Mr. MILLER of California. I do not know what the gentlemen are arguing about, because the Interior bill allows one to cross streams also.

Mr. YOUNG of Alaska. Not in your language.

Mr. MILLER of California. My language clearly specifies that the National Marine Fishing Service policy applies. I am representing to the gentleman that the buffer zone language allows the crossing of streams, as represented in the letter and intent of this gentleman's language in the bill.

Mr. VOLKMER. Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The CHAIRMAN. The amendment is withdrawn.

AMENDMENT OFFERED BY MR. JONTZ

Mr. JONTZ. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONTZ: H.R. 987 is amended on page 4 by striking lines 11 through 17 and inserting the following:

"'(e) FISHERIES PROTECTION.—In order to assure protection of riparian habitat, the Secretary of Agriculture shall maintain a buffer zone of a minimum of 100 feet in width within which logging shall be prohibited on each side of all anadromous fish streams in the Tongass National Forest, and their tributaries, except those tributaries with no resident fish populations which are intermittent in flow, or have flow of inadequate magnitude to directly influence downstream fish habitat.".

Mr. JONTZ (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. JONTZ. Mr. Chairman, I rise today to offer an amendment designed to clarify the language included in the Interior Committee's bill, H.R. 987, with regard to fisheries buffer zones. I am concerned that the language now in the bill could be misinterpreted to mean that all of the tributaries of anadromous streams in the Tongass National Forest will require a 100-foot buffer zone on both sides.

My proposed amendment is based on the policy issued by the National Marine Fisheries Service in 1988, which employs the U.S. Forest Service Stream Classification system. The Forest Service has previously used this policy to calculate the impact of buffer zones on timber supply in a 140,000-acre area within the Tongass at North Kuiu Island. They found that only 9 percent of the productive forest land would be removed with a 100-foot buffer zone around streams and tributaries that fit the specifications in the proposed amendment.

Thus, the 22-percent discrepancy between the two Forest Service estimates—one using the NMFS system, and one not—results from the inclusion of small tributaries.

To avoid any unnecessary conflicts with regard to this section, my amendment specifies that buffer zones of 100 feet would be required on both sides of all anadromous streams and their tributaries except those which do not have resident fish populations and do not flow year-round, or those whose flow is not of great enough magnitude to directly affect downstream fish habitat.

I believe that this language will alleviate concerns of the Forest Service that the current timber supply level will be unreasonably reduced as a result of the proposed buffer zones in the Interior Committee's bill. I would like to thank my colleague for yielding this time, and I urge the passage of the amendment.

I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, I would like to say we have had a chance to examine the amendment and would accept the amendment. I know this was a major concern by the members on the Committee on Agriculture that somehow there was a scheme being designed where we would use buffer zones to set off more land than was necessary, and that is not, in fact, true.

Under the policy designed by the National Marine Fisheries Service, they allow for the crossing of the buffer zones.

□ 1430

As the gentleman from Alaska has pointed out, it is obviously very important that we have the ability to do that, should they be logging in other areas, at the same time protecting the water quality and the riparian needs of these streams. The gentleman from Indiana has worked with this amendment for some time. It addresses the concerns that the gentleman from Missouri [Mr. VOLKMER] had, and we will be more than willing to work with the gentleman from Alaska [Mr. YOUNG] the gentleman from Missouri [Mr. VOLKMER], and the gentleman from Indiana [Mr. JONTZ] on this issue, because we recognize that while it is important in terms of the preservation of fish and streams, it is also important so we can continue to make full utilization of the land.

Mr. Chairman, at this point I enter into the RECORD the statement of policy, the letter from the National Marine Fisheries, as to the policy about crossing streams.

Mr. Chairman, the text of the letter is as follows:

Auke Bay, AK, July 3, 1989.

Hon. GEORGE MILLER,
Chairman, Subcommittee on Water, Power, and Offshore Energy Resources, U.S. House of Representatives, Washington, DC.

DEAR CONGRESSMAN MILLER: This is in response to your June 14, 1989 letter requesting an analysis of the protected timber supply impacts of Section 104 of the Tongass Timber Reform Act (H.R. 987, House Report 101-84). I am writing you on my own behalf as a professional fisheries research biologist with about 25 years experience studying the effects of logging on salmonids. An official National Marine Fisheries Service response will follow shortly.

Abundance of salmon and trout in southeast Alaska is directly related to the abundance of pristine habitat. Though southeast Alaska streams are relatively small in size, collectively they contribute to major commercial and recreational fisheries worth over $100 million annually. Their abundance (2500-3000 cataloged streams), size, and low productivity coupled with the topography of southeast Alaska make them vulnerable to logging impacts. Because of the continued degradation of salmon habitat by logging, the National Marine Fisheries Service (NMFS), Alaska Region issued a Policy in 1988 for Riparian Habitat Protection in order to maintain optimum production of anadromous salmonids.

NMFS's Policy is based on extensive research which shows that salmon and trout abundance is dependent on habitat derived from or influenced by the old-growth forest adjacent to streams, particularly canopy cover and large woody debris (LWD). It is well documented that buffers provide cover and shade and that the canopy density from a 30-meter wide buffer is sufficient to emulate the natural shade and stream temperature characteristics found in a stream in an old-growth forest. LWD is the principal structural feature of forested streams in Alaska and the Pacific Northwest and is responsible for forming the majority of habitat (e.g., pools, undercut banks, instream cover, stable spawning beds, etc.) critical to the production of salmonids. Nearly all of the LWD in streams comes from trees growing within 30 meters (100 feet) of the streambank. The quantity of LWD in these pristine streams is high (60-80 pieces per

100 meters length of channel) and is directly correlated with the abundance of salmonid habitat. Because the natural depletion rate of LWD resulting from decay, fragmentation, stream export, etc. is relatively high (1-3 percent per year), a continuous supply of wood from the riparian zone is needed to offset the natural loss and maintain salmonid habitat. If these streams are logged without leaving a buffer of at least 30 meters in width to replenish the natural loss of LWD, then we estimate that the level of LWD will be reduced by 70 percent in 100 years. Recovery of LWD to the original pre-logging level from the regeneration of second-growth trees next to the stream would take about 250 years. As a consequence, habitat and salmonid abundance would be significantly and irrevocably damaged over this period of logging and recovery. Because riparian habitat is the source of LWD for salmonid habitat, it must be protected in order to maintain Alaska's salmon and trout at optimum production.

NMFS Policy of advocating the protection of riparian habitat through the retention of buffer zones along both sides of all anadromous fish streams and their tributaries is intended to provide forestry and fisheries managers with a management prescription and tool to protect and maintain salmon and trout habitat during and after timber harvesting. The amount of timber "retained for fish habitat protection" (i.e., impact on timber supply) by applying the Policy is dependent on the correct interpretation of NMFS intention in the statement ". . . all anadromous fish streams and their tributaries . . ." Anadromous fish refers to all five species of Pacific salmon and to all anadromous trout and char. Any natural freshwater body of water (including lakes and ponds) containing anadromous fish or eggs is considered an anadromous stream. Any stream or tributary to an anadromous stream containing resident salmonids (non-anadromous) is considered a tributary. Streams without anadromous or resident salmonids, but which can influence anadromous or resident salmonid habitat downstream is considered a tributary. NMFS uses the United States Forest Service (USFS), Alaska Region, Aquatic Habitat Management Unit (AHMU) definition of Stream Classes based on fish use. The designation of Stream Class to a specific stream, tributary, or reach of stream is determined from the USFS Stream Classification System (Channel Typing) which uses aerial photographs to identify and characterize streams from geomormological features. Thus, under the AHMU and Stream Classification Systems, streams and tributaries are Classed according to fish use and Channel Typed according to physical features of the stream and location in the watershed:

STREAM CLASSES (USFS AHMU HANDBOOK)

Class I—Streams and tributaries with anadromous or high value resident sport fish or with habitat having reasonable enhancement opportunities for anadromous fish;

Class II—Streams and tributaries with resident fish populations of limited sport fish value generally occurring in steep gradients or upstream of migration barriers;

Class III—Tributaries with no fish populations but have potential water quality influence on downstream habitat.

CHANNEL TYPES AND STREAM CLASS DESIGNATION (FROM TABLE I, USFS AHMU HANDBOOK, FSH 6/86 R-10 TRANS)

Stream Class and Channel Type:

I: E1, E3, E4, C1, C2, C3, C7, B1, B2, B3.
I/II: E2, D4, D5, C4, C5, B5, B6.
II: D3, B4.
III: D1, D2, B7, A1, A2, A3, A4, A5.

NMFS met with USFS personnel in Juneau on June 9, 1989 to explain that the Policy was not intended to be interpreted literally and that unimportant tributaries in a watershed were not subject to buffers. A reasonable and appropriate definition of "tributaries" was discussed and the following criteria for the application of the 30-meter buffer policy to streams on the Tongass were agreed upon:

1) The minimum buffer zone width of 30 meters (100 feet) applies to all anadromous fish streams and their perennial tributaries which can be identified by the USFS stream classification system (i.e., Channel Typing) and includes Classes I, II, and III.

2) BMP's for maintenance of water quality standards will apply to all streams and tributaries.

3) Roads are permitted to intersect buffer zones for stream crossings as provided for by existing standards and guidelines (e.g., Alaska Dept. Fish and Game Title 16).

4) Roads parallel to streams are not permitted in buffer zones.

5) Yarding of logs through buffer zones is not permitted; however, if feasible, full suspension of logs over the top of trees within a buffer is permitted.

Most streams and tributaries in a watershed are a mixture of Class I, II, and III with Class I generally being the lower gradient valley bottom streams and tributaries, Class II being the mid-slope streams and tributaries, and Class III being the upper slope, high gradient tributaries. The 30-meter buffer policy of NMFS applies to all Class I and II streams and tributaries and in some cases to Class III tributaries which flow year-around (perennial) and have flow large enough to directly influence downstream habitat. The policy does not apply to Class III tributaries which are either ephemeral (seasonal) or intermittent or have a gradient generally greater than 8 percent; these can be very numerous and usually occur as small storm channels at higher elevations. Thus, generally speaking, the policy applies to all low to moderate gradient salmon and trout streams and tributaries which are perennial and does not apply to high gradient tributaries or storm drainages which do not have salmonids or do not have continuous flow. Most all of the streams and tributaries which can be classified by the USFS Channel Type system using aerial photographs should have a 30-meter buffer on each side of the stream. The numerous intermittent tributaries and storm channels which generally cannot be seen from aerial photographs or which are visible only following clear-cutting do not require buffers. These Class III tributaries and storm channels constitute the most acreage of productive forest land and are the source of the discrepancy or controversy between the USFS, timber industry, and fisheries biologists on the amount of productive forest land excluded from timber harvest. While recent USFS estimates of the "timber supply impacts" have been as high as 31 percent of the productive forest land, a more realistic estimate of the impact resulting from the NMFS Policy would be 9 percent. The difference in estimates of 22 percent is attributable to the inclusion of Class III tributaries not identified in the GIS in the USFS total. Nonidentified Class III tributaries are not subject to NMFS buffer policy, but are protected through application of Best Management Practices (BMP's) to meet Environmental Protection Agency (EPA) approved State water quality standards.

The amount of timber retained for fish habitat protection (i.e. protected timber supply) is estimated for a given stream by classifying it into stream Channel Types from aerial photographs, designating Classes according to fish use, and then calculating the amount of timber by acreage and volume class in a 30-meter buffer on both sides of the stream channel. The USFS has made these calculations using their Geographical Information System (GIS) and has presented their findings at meetings including a presentation at the Alaska Forest Practices Act Review in March, 1989 and a meeting on June 9, 1989 between USFS and NMFS personnel. One example the USFS presented was their calculations from a quadrangle of North Kuiu Island on the Tongass National Forest (Port Alexander C-1) with a total land area of 140,000 acres. The GIS calculated that 9 percent of the productive forest land (acres and total volume mmbf) would be removed with a 30-meter riparian buffer. This calculation, in agreement with MNFS's Policy, was based on timber retention along all Class I and II streams and tributaries and some of the important Class III tributaries, all of which were classified according to Channel Types from aerial photos. Based on the GIS calculations, biologists from NMFS and Alaska Dept. of Fish and Game in consultation with USFS biologists, believe that Class I (anadromous) streams only would amount to less than half (4 percent) of the 9 percent of the timber retained for habitat protection. The high gradient and intermittent tributaries, and storm channels which are not identified by Channel Typing or aerial photos (i.e., not identified in the GIS) would amount to an additional 22 percent if buffer were required. However, these noninventoried tributaries are usually insignificant and do not require buffers under the NMFS Policy; therefore, the additional 22 percent should not be included in the estimate of area of productive forest reduced by buffers. These small tributaries without salmonids can account for the highest proportion of streams or acreage in a watershed, but only require BMP's for maintenance of Alaska State Water Quality Standards.

Mr. Scott Russell, Biologist, USFS, Ketchikan Area, Tongass National Forest estimated the effects of a 30-meter buffer on the amount of operable timber that would be excluded in the 1989-94 Operating Period KPC Long-term Sale Draft EIS (395,966 operable acres). He applied a buffer to all fish and non-fish streams that were Channel Typed and found 10.7 percent of the operable timber would be excluded.

His estimates did not include the streams that could not be inventoried from aerial photos. Scott also thought that the anadromous streams would amount to less than about 4 percent of the operable timber. A study supporting the previous examples was conducted by a Fisheries Task Force (Fisheries Task Force Working Report, Tongass Land Management Plan, USFS, Juneau, AK, April 1978, 36pp) to determine the extent of fisheries habitat protection by the application of a 100 foot buffer on salmon streams and their tributaries on 14 watersheds in the Tongass National Forest. The total retained for fisheries habitat protection as extrapolated to the entire Tongass National Forest was 11 percent of the timber volume. A report prepared by the

Sealaska Corporation on Jan. 16, 1989 shows that a total of 49 percent of their study area acreage and timber volume on Prince of Wales Island would be contained in fish stream protection using a 100 foot buffer. However their data also shows that only 8 percent of this retention would apply to the important Class I and II streams, the remainder was for Class III tributaries (37 percent) most of which did not require buffers and for areas made inoperable because of buffer zones (4 percent).

NMFS policy is intended to protect Alaska's salmon and trout abundance through the application of proven management techniques and sound biological data. Because the fisheries and timber industries share the forest as a common base for their existence, a specific level of old-growth forest must be maintained for optimum production of fish. The timber retained in a buffer for fish should not be viewed as the amount "lost" to the timber industry but viewed as what is required for fish habitat in the true sense of multiple-use. Certainly, NMFS intent is not to create a severe impact on the timber industry, but through its Policy it is defining what is the minimum riparian vegetation necessary for salmon and trout habitat in order that the two industries can coexist.

Thank you for the opportunity to express my views on the NMFS's Policy and its relationship to the Tongass Timber supply. Please let me know if I can be of further assistance.

Sincerely yours,

K.V. KOSKI, PH.D.,
Fisheries Research Biologist.

Mr. YOUNG of Alaska. Mr. Chairman, I move to strike the last word.

Mr. Chairman, if I could have the attention of my colleagues, I can count the States, and this amendment, very frankly, only applies to Alaska. To my knowledge it is the only State in the Union that requires that type of buffer zone.

I believe that includes the gentleman from Indiana. I might ask the gentleman, does he have any buffer zones in his State?

Mr. JONTZ. Mr. Chairman, if the gentleman will yield, we do not have any similar streams. I can certainly attest to that. So we do not have a need for similar buffer zones.

The purpose of this amendment, if the gentleman will yield further, is to clarify what the language of the Interior Committee would do. If the gentleman disagrees with what the Interior Committee's language ought to do from the beginning, I can appreciate the gentleman's concern, but my amendment is only to clarify and limit, if you will, the intention of the Interior Committee. I believe it provides a more workable and more practical definition than what is in the bill at the present time.

Mr. YOUNG of Alaska. Mr. Chairman, reclaiming my time, I can agree with the gentleman on that, that it is better. But the comparisons and the difference are like the comparisons between high fever and pneunomia. There are both pretty dangerous.

I am sitting here as a non-lawyer, and I can just see all kinds of lawsuits coming from this. The language is: "* * * except those tributaries with no resident fish which are intermittent in flow, or have flow of inadequate magnitude to directly influence downstream fish habitat."

I like that language, and it sounds good. It has flowers. It is like the Alaskan Forget-Me-Not. It is beautiful. But it makes a great court case for those who would continue the efforts of the Interior Committee to try to preclude any logging on that land outside of the addition 1.8 million acres.

I hope that somewhere in the RECORD the gentleman would accept the premise or at least give his good word that if there is a court case filed by one of these groups that insists that logging does not take place, he will back me up and say that was not his intent before the judge. Will the gentleman agree to that?

Mr. JONTZ. Mr. Chairman, if the gentleman will yield, I think quite honestly that the language I am offering is more likely to prevent lawsuits by clarifying the buffer zone. This language does not come from any lawyer or any litigant of any sort. It comes from the policies of the National Marine Fisheries Service, and I think it is very practicable and very workable and would prevent lawsuits.

Mr. YOUNG of Alaska. Mr. Chairman, reclaiming my time, that is the same organization that said there would be only a 3-percent loss with the Interior Committee's language. So I do not have a great deal of faith in that organization at all. In fact, I am going to talk a little bit about that later on in the committee of which I am also the vice chairman.

So, Mr. Chairman, I reluctantly accept this amendment.

Again, it is between a good high fever and a cold. Neither one is very healthy.

Mr. Chairman, this has to be done, I guess, but it is not an amendment that is going to solve any problems.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. JONTZ].

The amendment was agreed to.

Mr. KANJORSKI. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise today in full support of H.R. 987, the Tongass Timber Reform Act. We must take responsibility for the environmental legacy that we leave to future generations.

For too long Congress has allowed the mismanagement of one of our national treasures to go unchecked. This mismanagement has resulted in allowing environmentally unsafe and economically unsound practices to flourish.

Over the past 30 years, the U.S. Forest Service has attempted to foster industrial-scale logging in southeast Alaska by force-feeding taxpayer dollars to a timber industry in our Nation's largest national forest.

This policy has resulted in a systematic elimination of a rare temperate-zone rainforest and has cost U.S. taxpayers millions of dollars. In fact, the General Accounting Office has concluded that this policy has cost taxpayers $131 million in 5 years on the construction of unnecessary roads to nowhere and timber sales that were not necessary to meet industry demand.

Mr. Chairman, two of the most pressing problems we as a nation now face—a growing budget deficit and declining environmental health—are responsibly addressed in the Tongass Timber Reform Act. We cannot allow the destruction of our forests, and we cannot fund contrived government programs that waste needed revenues.

Hopefully by passing this act into law, we will not only stop the destruction in the Tongass National Forest, but we will serve notice to the U.S. Forest Service that Congress, and the American public, will not stand for these or similar practices to occur in any of our national endowments.

Mr. Chairman, by passing the Tongass Timber Reform Act we can correct a wrong that has already caused too much damage and stop it from doing even more. For the sake of our environment, which is, as we are now learning, directly linked to the state of the well-being of future generations, I am lending my strong support to the Tongass Timber Reform Act, and I would like to urge all of my colleagues to do likewise.

Mr. SCHEUER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, today we have an opportunity to save the last expanse of old-growth pristine rain forest that exists in all of North America. The Tongass National Forest in Alaska is a national treasure. It provides habitat for all kinds of wildlife and fish species, for the grizzly bear, the gray wolf, the bald eagle, and the mountain goat. Five different varieties of Pacific salmon exist at virtually historic levels. For many of these species this forest is their only home.

The Interior Committee's version of this bill, the Tongass Timber Reform Act, would correct years of mismanagement of our forests. It would correct years of wrong-headed public policy in the management of our timber and forest resources. The old growth forest is being harvested at a rapid rate. It is not being harvested on a sustainable yield basis. It is being harvested on a basis that will give us substantial losses both to our economy and our ecology and natural environment.

The American taxpayer loses 90 cents on every dollar that is spent on the Tongass. We are paying heavily as a nation dollarwise on the bottom line for the privilege of destroying this glorious national heritage of old growth forest, and we are spending $36 million on the Tongass timber industry before a single stick of timber is cut. The guaranteed $40 million annual subsidy has not guaranteed jobs. We have spent $131 million over the last 6 years to protect jobs, and we have failed.

The Tongass Forest is capable of providing more jobs without the timber industry's 50-year contracts. Twice the number of people will be employed if we depend on the forest with its total ecological system intact than if we depend on the lumber industry. There are 1,800 jobs involved in the lumber industry in the Tongass, but there are 3,600 commercial fishermen and another 3,600 people involved in tourism and fishing. It is absurd for us to pay through the nose for the privilege of destroying this glorious stand of old forest to preserve 1,800 jobs.

Mr. Chairman, our Government has as a national policy improving the environment, preserving old stands of lumber, and indeed we are urging countries around the world to preserve their rain forests. We are jawboning the Brazilians, the Guatemalans, and the Costa Ricans, and we are jawboning countries across the entire belt of sub-Saharan Africa to preserve their forest heritage. We are destroying forests across the world at a horrifying, devastating rate, and yet here at home we are paying taxpayers' dollars for the purpose of destroying a glorious stand of old timber.

Mr. Chairman, that does not make any sense, it is aberrational, it is wrong-headed, and we ought to pass the Interior version of this bill.

The CHAIRMAN. The question is on the committee amendment in the nature as a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. YATES] having assumed the chair, Mr. FRANK, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 987) to amend the Alaska National Interest Lands Conservation Act, to designate certain lands in the Tongass National Forest as wilderness, and for other purposes, pursuant to House Resolution 196, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

□ 1440

The SPEAKER pro tempore (Mr. YATES). The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

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

Mr. MRAZEK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 356, nays 60, not voting 15, as follows:

[Roll No. 138]

YEAS—356

Ackerman
Akaka
Alexander
Andrews
Annunzio
Anthony
Atkins
AuCoin
Ballenger
Barnard
Bartlett
Barton
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Bonior
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Browder
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bustamante
Byron
Callahan
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clarke
Clay
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Conte
Cooper
Costello
Coughlin
Coyne
Crockett
Darden
Davis
de la Garza
DeFazio
Dellums
Derrick
DeWine
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Douglas
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Engel
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Ford (MI)
Ford (TN)
Frank
Frost
Gallo
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Grant
Gray
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Hertel
Hiler
Hoagland
Hochbrueckner
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Inhofe
Ireland
Jacobs
James
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Laughlin
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (FL)
Lewis (GA)
Lipinski
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken, Thomas
Lukens, Donald
Machtley
Madigan
Manton
Markey
Martin (IL)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Miller (CA)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Mrazek
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nelson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Pallone
Panetta
Parker
Pashayan
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Rahall
Rangel
Ray
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roe
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Sangmeister
Sarpalius
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shays
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (TX)
Smith (VT)
Smith, Robert (NH)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stark
Stearns
Stenholm
Stokes
Studds
Swift
Synar
Tallon
Tanner
Tauke
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Walker
Walsh
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (FL)

NAYS—60

Anderson
Applegate
Archer
Armey
Baker
Bateman
Bunning
Burton
Combest
Cox
Craig
Crane
Dannemeyer
Dickinson
Dornan (CA)
Dreier
Emerson
Fields
Gallegly
Gekas
Grandy
Hancock
Hansen
Herger
Holloway
Hopkins
Hunter
Leath (TX)
Lewis (CA)
Lightfoot
Livingston
Marlenee
McCandless
McEwen
Michel
Miller (OH)
Molinari
Morrison (WA)
Myers
Nielson
Oxley
Packard
Regula
Rhodes
Rogers
Rohrabacher
Shumway
Shuster
Smith (MS)
Smith (NE)
Smith, Denny (OR)
Smith, Robert (OR)
Stangeland
Stump
Sundquist
Tauzin
Thomas (CA)
Thomas (WY)
Vucanovich
Young (AK)

NOT VOTING—15

Aspin
Collins
Conyers
Courter
DeLay
Edwards (OK)
English
Frenzel
Hastert
Hyde
Martin (NY)
Murphy
Parris
Quillen
Ravenel

□ 1500

The Clerk announced the following pair:

On this vote:

Mr. Conyers for, with Mr. Quillen against.

Mr. COX changed his vote from "yea" to "nay."

Mr. JONES of North Carolina and Mr. HAMMERSCHMIDT changed their vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MILLER of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 987, the bill just passed.

The SPEAKER pro tempore (Mr. YATES). Is there objection to the request of the gentleman from California?

There was no objection.

REPORT ON H.R. 2883, RURAL DEVELOPMENT, AGRICULTURE, AND RELATED AGENCIES APPROPRIATIONS BILL, 1990

Mr. WHITTEN, from the Committee on Appropriations, submitted a privileged report (Rept. No. 101-137) on the bill (H.R. 2883) making appropriations for rural development, agriculture, and related agencies for fiscal year 1990, which was referred to the Union Calendar and ordered to be printed.

Mrs. SMITH of Nebraska reserved all points of order on the bill.

PROVIDING RELIEF FOR CERTAIN SOVIET AND INDOCHINESE REFUGEES

The SPEAKER pro tempore. Pursuant to House Resolution 195 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2022.

□ 1502

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2022) to establish certain categories of nationals of the Soviet Union and nationals of Indochina presumed to be subject to persecution and to provide for adjustment to refugee status of certain Soviet and Indochinese parolees, with Ms. KAPTUR in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Texas [Mr. BROOKS] will be recognized for 30 minutes, and the gentleman from Texas [Mr. SMITH] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas [Mr. BROOKS].

Mr. BROOKS. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, since the creation of the Soviet Union, religious groups, particularly Jews and evangelical Christians, have been oppressed. Jews and evangelicals are second-class citizens. They are excluded from schools, job opportunities, and housing. Today in the U.S.S.R., laws exist which prohibit public religious celebrations and formal religious education of children. While Jews and evangelical Christians may no longer face the purges and massacres that their forefathers suffered in the early part of this century, they must certainly still maintain a well-founded fear of persecution.

Until last year, the policy of the United States had been to embrace, with open arms, the few "refuseniks" allowed to emigrate. But, in October, the previous administration decided to nullify the presumption that Soviet Jews and Pentecostals are groups subject to persecution. As a result, the refugee camps in Ladispoli, Italy, and Vienna, Austria, hold over 11,000 refugees awaiting adjudication of their cases by the Immigration and Naturalization Service examiners.

Madam Chairman, we are wasting valuable manpower and money on an adjudication process which should be simple. The whole situation seems counterproductive. In the 1980's, the number of Soviet emigres was reduced to a tiny trickle. Now, due in part to Congress' exhaustive efforts, emigrants are flowing out once again. But, rather than expediting the process, the Immigration and Naturalization Service is throwing up roadblocks.

Madam Chairman, H.R. 2022 breaks down these roadblocks. It restores presumptive status to two Soviet groups which have suffered greatly. It streamlines the adjudication process which is now so inefficient.

I strongly urge my colleagues to join me in support of this legislation.

Mr. SMITH of Texas. Madam Chairman, I yield 5 minutes to my friend, the ranking minority member of the Committee on the Judiciary, the gentleman from New York [Mr. FISH].

Mr. FISH. Madam Chairman, I urge my colleagues to vote for H.R. 2022. After many years of presuming that Soviet Jews and other persecuted minorities qualified as refugees as a group, a new United States policy was announed last fall, rejecting some individuals for not having a "well-founded fear of persecution" and granting them "special humanitarian parole".

This sudden change in policy caught many Soviet Jews and other persecuted minorities totally unprepared. Denial of refugee status rates increased dramatically from 6.7 percent in December 1988 to 36.5 percent in March 1989. The June 1989 rate was 21.3 percent. Although denial rates increased, the "profile" of individuals seeking refugee status had not. In fact, initially, of those who ask for their cases to be reconsidered, as many as 63 percent were overturned and granted refugee status.

One problem is the various inconsistencies in the manner in which individual refugee cases were adjudicated. Several factors contributed to these inconsistencies. First, guidance provided INS officers changed as INS phased in case-by-adjudications, with resulting stricter interpretation of refugee eligibility. Initially knowledge among some INS officers about Soviet country conditions and the treatment of specific ethnic and religious groups in the Soviet Union was lacking. Differing interview approaches affected the quality and type of available information upon which to base adjudications. The tremendous volume of refugee applicants was also a contributing factor.

INS and consular officials, both in Europe and Washington, agreed that cases were not being adjudicated consistently, as indicated by the high rate of cases overturned. To their credit, INS and the administration have taken a number of actions, including training programs for INS interviewing officers, to bring greater consistency to the adjudication process. However, the use of parole should be terminated.

The new parole policy was in response to the huge numbers of persecuted religious minorities being allowed to leave the Soviet Union. Until recently the number of applicants granted exit visas from the Soviet Union was discouraging. Exits were a mere trickle in 1986, only 914. Restrictions were relaxed during late 1987 and 1988, enabling more Jews and other persecuted religous minorities to leave. In 1987, the figure was 8,155. In November 1988, 2,334 were given exit permits, the highest number in a 1-month period in 9 years.

This new Soviet policy is a historic human rights victory for the United States, fully consistent with our humanitarian tradition, of which we should be proud. However, our current parole policy is inadequate in accommodating the unanticipated flow from the Soviet Union.

It is important that the Congress and the administration have time to examine other policy options and problems. First, however, immediate steps must be taken by the administra-

tion to resume refugee status for those religiously persecuted. Since any legislative initiatives will take time to be adopted, H.R. 2022 should be considered an interim measure until long-term options have been agreed to. For this reason, the bill sunsets in 1990.

Recently, emergency consultations with Congress were held to increase the available numbers for Eastern Europe so as to provide for additional visas to refugees from the Soviet Union until the end of this fiscal year. In addition, special immigration legislation—H.R. 2646—sent up by the administration has been introduced. This legislation, of which I am a cosponsor, addresses a longer term solution to the large number of people seeking emigration from the Soviet Union and other countries in similar positions.

Madam Chairman, that Soviet Jews and other religious minorities are still being persecuted in the Soviet Union is a documented fact. The "Country Reports on Human Rights Practices for 1988," issued by the Department of State, contains many examples of group persecution of Soviet Religious minorities.

The fact of persecution, the inadequacies of parole, and the abrupt change in policy bring into question America's commitment to persecuted religious minorities. Although many Soviets are now being allowed to leave, there is no guarantee that this current relaxation of emigration policy will continue. Should Mr. Gorbachev's reform be replaced by a more repressive Soviet policy, the opportunity for persecuted minorities to leave will be lost—a risk clearly we should not run.

For these reasons, I urge my colleagues to vote for passage of H.R. 2022.

□ 1510

Mr. BROOKS. Madam Chairman, I yield 6 minutes to the gentleman from Connecticut, Mr. BRUCE MORRISON, the distinguished chairman of the Subcommittee on Immigration, Refugees, and International Law, which is really the subcommittee which is the author and the prime mover of this legislation.

Mr. MORRISON of Connecticut. Madam Chairman, I thank the gentleman from Texas, chairman of the full Judiciary Committee, for yielding this time to me, and also the gentleman from New York [Mr. FISH], the ranking minority member, for their support in facilitating the bringing of this legislation to the floor today.

This legislation gives the House, and I hope ultimately the Government of the United States, the opportunity to stand fully and squarely behind a policy that has been bipartisan and has been strongly the policy of the United States and all of its people over the last two decades, and that is the policy of encouraging free immigration from the Soviet Union. We have made that a cornerstone of our human rights policy, and we have made it a condition on trading relations between ourselves and the Soviet Union.

For much of that period we have found little success. Small numbers of individuals have been permitted to leave the Soviet Union. But beginning last summer and increasingly throughout this year we have found increasing numbers of individuals permitted to leave, and the individuals upon whom our attention has focused over the last two decades, in particular those religious minorities within the Soviet Union who have suffered persecution, not just recently but going back through Soviet history, and in fact through centuries of Russian history, Jews and Evangelical Christians, those individuals have for the first time begun to leave in significant numbers.

But why do we need this legislation? We need this legislation I say, unfortunately, because of a change in policy made by the administration last August. Whereas in the past we recongized as a matter of fact the persecution faced by these religious minorities within the Soviet Union, the attorney general at that time ordered that we cease using the presumptive status that had previously been applied to these individuals.

What is the effect of that change? Instead of assuming what we know to be true, which is that Jews and Evangelical Christians in the Soviet Union are faced with persecution and have a well-founded fear should they return to the Soviet Union of that kind of persecution, we ask each and every one of them to prove the case for him or herself. The result of that process, while seeming fair on the surface, has been disastrous.

First and foremost, instead of the Soviet Union being the bottleneck between free immigration for these individuals and their opportunity in the United States, it became the processing of these individuals by the United States that became the process, and instead of being in the position to declare a great victory in our human rights struggle about immigration we were faced with administrative problems of a significant sort with respect to allowing these individuals to enter.

This legislation does nothing to upset the balance of the Refugee Act of 1980. It merely implements within the ambit of that Act procedural efficiencies with respect to individuals about whom we have knowledge as a group. We are imposing by this legislation a practice with respect to Soviet Jews and Evangelical Christians which has already been well established with respect to 24 different groups of individuals in Southeast Asia, the use of a presumption to say that if you are a member of that group you are known to be a target of persecution, and if you come to the officials of the INS and ask that you be made a refugee on the basis of your fear of that persecution, you are entitled to be treated as a refugee.

In the absence of that kind of standard, we have seen refusal rates with respect to Jews in Italy being screened by the United States varying from a low number of approximately 6 percent fast fall, swelling up to 38 percent in the spring, and in June being over 20 percent. The numbers have had enough of an impact, but the truth is that the result has been divided families, brothers and sisters, two brothers, husbands and wives as compared to the children or grandparents, situations in which families have been treated differently despite having virtually identical experiences in the Soviet Union.

This legislation seeks to cure that problem and to add an efficient processing to those people who are waiting for refugee adjudication by the United States in Italy and in the Soviet Union. By implementing this legislation we will clear up the huge backlog that currently exists. We currently have a backlog of 12,000 individuals in Italy waiting for adjudication or who have been turned down under the prior case-by-case processing. It is the purpose of this legislation to do away with those backlogs and to allow those individuals to come to the United States.

This legislation is not permanent legislation, it is for the next 15 months. During that period we are going to have to face up to the consequences of lowered barriers for immigration in the Soviet Union and the challengers that presents for us, for Israel, and for other nations in the West. But we ought not to solve that problem by creating a huge backlog among those who in good faith and in expectation of coming to the United States have left the Soviet Union and are now knocking on our door. Let us not be the country that says no to their knock, and use this legislation that will open that door, and also open the opportunity in a studied and appropriate way to prepare the world for the day that we hope for, which is when the Soviet Union will recognize the right of all of its people to free immigration.

Madam Chairman, H.R. 2022 has two primary purposes. First, and foremost, it is designed to promote the effective and efficient processing of applications for refugee status by establishing a legislative presumption that Jews, as well as Evangelical Christians, are subject to persecution in the Soviet Union. Second, the bill would allow some 5,000 to 10,000 Soviet and Indochinese individuals who have been, or will be, allowed to come to the United States and remain here permanently, pursuant to the Attorney General's

parole authority, to adjust their status from that of a parolee to that of a refugee.

H.R. 2022 was ordered favorably reported by the full Judiciary Committee on June 20 by a recorded vote of 30 to 5. I am delighted to say that the bill has over 90 cosponsors and has received strong support from both sides of the aisle.

With the enactment of the Jackson-Vanik amendment in 1974 and the signing of the Helsinki accords in 1975, the United States made it clear that the relaxation of Soviet emigration policy was a vital goal of U.S. foreign policy. For a while it appeared that our efforts were bearing fruit. From 1976 to 1979 the number of persons permitted to leave the Soviet Union rose steadily, from 26,000 to 62,000. But in the 1980's it became apparent that Soviet emigration policy in fact bore either no relationship or a negative relationship to the force with which we attempted to persuade the Soviet Union to permit greater freedom of movement. In 1986, for example, Soviet emigration totaled less than 2,000, and the number of refuseniks grew to over 11,000.

For reasons not fully understood, Soviet emigration policy took another one of its cyclical swings in 1987. Jewish emigration increased ninefold to 8,155. In 1988, 19,165 were allowed to leave, and this year that number will be at least doubled. It is important to remember, however, that the Soviet government has still not established a standard, formal emigration procedure. Instead, they have employed a series of different requirements for different groups of applicants and have altered those requirements at their discretion, without warning. Thus, we have no way of knowing whether this more liberal emigration policy reflects fundamental changes in Soviet human rights practices or whether it constitutes merely a temporary response designed to meet some short-term policy objective.

One might have thought that as doors of emigration opened wider for Soviet citizens the United States would have responded with enthusiasm, encouragement and—above all—with a generous refugee admissions and resettlement policy. Unfortunately, that was not the case, for in August 1988 Attorney General Meese ordered the Immigration and Naturalization Service to require each and every Soviet applicant for refugee status to establish individually that he or she either had been persecuted or could demonstrate a well-founded fear of persecution. I have little doubt that in the case of Soviet armenians the Attorney General's decision to reverse a 40-year practice of deeming all Soviet emigres refugees was a correct one. But in the case of Soviet Jews and Evangelical Christians—that is, Pentecostals and Baptists—the new policy made little sense, for by every account Jews and Evangelical Christians, as a group, continue to be persecuted in the Soviet Union. Indeed, as recently as April 6, 1989, the Department of State wrote:

For Christians and Jews alike * * * many difficulties remain. There are shortages of priests, rabbis, teaching facilities, kosher butchers, ritual baths, vernacular religious literature and many other elements needed for full spiritual or cultural expression.

Anti-Semitism is deeply rooted in Russian history, and one of the side-effects of glasnost had been the emergence of groups such as Pamyat, which expresses traditional great Russian nationalism and anti-Semitism. Membership in these groups is small, but their rhetoric undoubtedly strikes a responsive chord in the hearts of some Russians, and increases Jewish feelings of insecurity. While the positions these groups take are frequently at odds with government policies and officially the government does not endorse or encourage their virulent anti-Semitism, their activities have been tolerated as an unavoidable consequence of glasnost.

Most importantly, none of the reforms has been codified in law. Jews still face many forms of discrimination including exclusion from schools, jobs and housing. Believers also face discrimination in the workplace and elsewhere. There is no independent judiciary to hear and resolve these issues for individuals seeking redress through the system.

The improvements noted above, limited as they are, do not apply to Pentecostalists and other Evangelical Christians. Their churches are still banned; they still face possible jail sentences for exercising their beliefs, most notably that of conscientious objection, but also Evangelical witnessing and holding religious meetings. ["Report To Congress Concerning the President's Proposal To Raise the FY 1989 Refugee Admissions Ceiling," P.4]

In October 1988, President Reagan, acting under the authority conferred upon him by the Refugee Act of 1980, authorized the admission of up to 18,000 Soviet refugees in fiscal year 1989. By December 1988, however, it became apparent that this number was inadequate to meet the growing need. Accordingly, the President raised the Soviet refugee allocation to 25,000. Despite these efforts, backlogs of refugee applicants at the United States Embassy in Moscow soared from 1,500 a month in fiscal year 1988 to 4,000 a month by early spring. And the numbers applying in Rome were nearly as high.

By October 1988, not only Soviet Armenians but also Soviet Jews and Pentecostals began to be rejected for refugee status in previously unheard of numbers—nearly 1,000 by January 31, 1989. Currently, approximately 4,000 Soviets, the majority of them Jews, remain in Italy, having been denied refugee status by the United States. A like number are awaiting decisions at the U.S. Embassy in Rome.

On April 6, 1989, witnesses from the General Accounting Office informed the subcommittee that their onsite investigation of refugee processing in Rome and Moscow revealed "various inconsistencies in the manner in which individual refugee cases were adjudicated." GAO further stated:

We also found a lack of knowledge among the INS officials in Rome and Moscow about Soviet country conditions and the treatment of specific ethnic and religious groups in the Soviet Union. We noted differing interview approaches which affected the quality and type of available information upon which to base adjudication, and we think the tremendous volume of refugee applications is a contributing factor since it puts an enormous amount of pressure on the time allotted for processing these cases.

By April 1989, the number of Soviet Jews denied refugee status by the United States had reached 1,470, with an unprecedented disapproval rate of 37 percent having been reached in March. Since the vast majority of these rejected applicants had been processed in Rome, the Italian Government was compelled to arrange for their care and maintenance. The refugee camp in Ladispoli, Italy, now houses over 12,000 Soviet refugee applicants, many of whom have been there several months.

With the liberalization of Soviet emigration policy, the United States will accept up to 43,500 this fiscal year, the majority of them Jews. To meet the challenges of these unprecedented numbers, U.S. refugee processing must be efficient, consistent, and predictable. Therefore, the present process—which in effect requires a separate determination in each case, by each INS adjudication, as to the conditions of life for Jews and Evangelical Christians in the Soviet Union—serves no purpose other than to promote delay and confusion and waste scarce human and fiscal resources. I believe that the solution to this problem is to reestablish, legislatively, a presumption that Soviet Jews and Evangelical Christians are subject to persecution. This is precisely what H.R. 2022 does. Recognizing, however, that refugee conditions are by nature fluid, H.R. 2022 would sunset the required use of such presumptions on October 1, 1990.

H.R. 2022 also directs the Attorney General to establish procedures for Indochinese refugees—defined for purposes of H.R. 2022 as refugees from Vietnam, Laos, or Cambodia—of the type established by H.R. 2022 for Soviet Jews and Evangelical Christians. The bill does not specify particular categories of Indochinese individuals who are to be deemed subject to persecution, but I would note that since 1983 the executive branch has recognized 24 such categories of individuals, including, for example, Vietnamese Catholics and Laotian Hmong. We would expect the administration to review that list to make any necessary additions, subtractions, or modifications.

Section 2 of H.R. 2022 requires the Attorney General to adjust to refugee status an alien who was a national of the Soviet Union, Vietnam, Laos, or Cambodia is such alien—first, was—or is—denied refugee status by the United States between August 15, 1988, and September 30, 1989; second, was—or is—paroled into the United States; third, is not excludable under the provision of law that deals generally with the grounds of exclusion for refugees; and fourth, applies for such adjustment at any time.

The power to "parole" aliens into the United States is granted to the Attorney General by section 212(D)(5) of the Immigration and Nationality Act. At the time of its enactment, Congress intended that the parole authority would be used for the temporary admission of individual aliens. The practice of using the parole provision for the permanent admission of groups of aliens originated with the Hungarian refugee crisis. By 1958, 32,000 Hungarians had been paroled into the United States.

In the case of an alien whom the Attorney General has paroled into the United States not for any short term, time limited reason, but

instead under circumstances that suggest, explicitly or implicitly, that the parole will remain in effect indefinitely, parole status is an unacceptable alternative to a more permanent and defined immigration status. Perhaps the most troubling aspect for such individuals is that parole may be revoked for any or no reason, at any time. This continual uncertainty as to one's right to remain in the United States impacts on the individual's ability to plan his life. Decisions as to whether to marry, raise children, purchase a home, or start a business cannot be made simply on the merits, since the specter of forced uprooting is always on the horizon. Moreover, a parolee, no matter how long here, is legally incapable of petitioning for the admission of a family member under our immigration laws, since that right is available only to U.S. citizens and lawful permanent residents.

Recognizing the inequity of permitting individuals to remain in the United States in a status of perpetual parole, Congress has time and again enacted special legislation to allow parolees to regularize their immigration status. Most recently, Congress enacted, as part of the 1986 Immigration Reform and Control Act, a provision to allow Cuban/Haitian entrants to become lawful permanent resident aliens—Public Law 99-603, section 202. Similar legislation was enacted in 1977 for the benefit of Indochinese parolees—Public Law 95-145, section 101—and in 1966 for the benefit of Cuban parolees—Public Law 89-732, as amended. It is also noteworthy that the present administration has submitted to Congress legislation—introduced as H.R. 2646—to regularize the status of the same Soviet and Indochinese parolees who would be adjusted under the provisions of H.R. 2022.

For these reasons I urge my colleagues to support H.R. 2022.

□ 1520

Mr. SMITH of Texas. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, I urge my colleagues to oppose H.R. 2022, as does the administration.

It is unfair.

It is unnecessary.

And it would set a dangerous precedent.

Surprises—both pleasant and unpleasant—often come in small packages. H.R. 2022 is a small legislative package that contains some potentially unpleasant surprises for my colleagues.

Proponents of this measure feel the same sense of compassion and commitment to Soviet Jews, Pentecostals, and Indochinese that we all share.

If the issue before the House today were simply the strength of this institution's commitment to Soviet Jews, for example, I would be happy to support this measure.

But that is not the issue.

Likewise, if the issue before the House today were simply whether to facilitate the processing of administrative backlogs of refugee applications, I would not be opposed.

But that is not the issue.

Proponents of this legislative package have wrapped it attactively.

They describe it as a short-term measure.

They say H.R. 2022 is a modest administrative action to clear up processing backlogs.

I would urge my colleagues not to be seduced by the attractiveness of this simple wrapping, but rather, I would urge them to remove and set aside what I would describe as the open window or pipeline argument—an argument that would conceal the actual contents of H.R. 2022.

Unwrapped, this bill will be seen to make unfair, unnecessary, and unprecedented changes in the law.

Proponents of H.R. 2022 are asking Members to do something they have never done before.

They ask us to endorse their selection of several categories of refugees for preferential treatment. They ask you to make that commitment the law of the land. To make it U.S. policy.

Such preferential treatment in law is unprecedented and unfair.

It is unfair to those among the millions of African refugees who may seek asylum in the United States.

It says to them that U.S. refugee policy will discriminate among which refugees to accept first worldwide.

It is unfair to the hundreds of thousands of Central and South American refugees who would seek asylum in this country.

It says to them that U.S. refugee policy is political and Hispanics don't yet have enough political clout to force open the door for their brothers and sisters.

It is unfair to the individual man, woman, or child anywhere in the world who is fleeing persecution and seeks asylum in the United States.

It says to that man, that woman, that child, "While you may have lived in daily fear of persecution, you must wait."

The U.S. Congress, the House of Representatives, would say that certain other groups of people, groups of people that may or may not be similarly persecuted, are to be brought to the head of the line and given assistance first to the United States.

It says to the individual Filipino refugee who has family here in the United States, "You must continue to wait 10 years for approval."

It offers no explanation why preference and immediate entry is to be granted to others, many of whom have no family in the United States.

American citizens have a right to expect that their national refugee policy will be consistent and even handed, that it will treat all refugees fairly. H.R. 2022 does not meet this test.

It is not consistent with the even handed approach adopted by the Congress in the 1980 Refugee Act.

It makes preferential treatment for some a matter of public policy.

I know of no way that I could explain such a policy to a black or Hispanic constituent who might come to me with a specific case of a family member or friend suffering persecution in another country.

But what about—some may say—your constituent Jewish community. How do you tell them you voted against H.R. 2022?

I will tell them what I am telling my colleagues today.

H.R. 2022 is not only unfair but it is unnecessary.

Proponents of H.R. 2022 have consistently argued that their bill is necessary because of "historical treatment in the Soviet Union" of Jews and Evangelical Christians.

Some may allege that Jews and Evangelical Christians are currently suffering grave and serious persecution in the Soviet Union—persecution so grievous as to warrant unprecedented emergency action.

But, the growing evidence is to the contrary.

Soviet practice in recent years has been not to enforce the political/religious articles of the Criminal Code.

Progress is being realized in freedom to worship and pursue ethnic and cultural traditions.

The celebration of 1,000 years of Christianity a year ago was actively promoted by authorities and drew thousands of worshipers.

Services are being held in major cathedrals for the first time in decades.

Worshipers are no longer routinely harassed.

And although not eliminated, restrictions on religious literature have been liberalized.

Soviet Jews in particular have experienced improved conditions for religious and cultural expression.

The law against teaching Hebrew is no longer enforced, and Hebrew classes are now held openly.

In Leningrad, the Karl Marx Institute is even sponsoring a Hebrew class.

A Jewish cultural center was recently opened in Moscow.

A Judaic Studies Center opened this year in Moscow and is functioning as a de factor yeshiva.

Along with this new openness, we can all acknowledge a great United States human rights victory in obtaining the concurrence of the Soviets to allow Soviet Jews and Evangelical Christians to leave the country.

Proponents of H.R. 2022 argue that this opening is a window that may be slammed closed at any time, that the Congress must act immediately or risk being responsible for those that might

be unable to get out of the Soviet Union.

The particular necessity cited by proponents of H.R. 2022 is the current backlog in the processing of Soviet applicants.

Currently it is estimated that approximately 20,000 persons are awaiting processing in Moscow. Another 9,000 have already left the Soviet Union and await processing near Rome.

Under the Refugee Act of 1980, President Reagan determined, in consultation with the Congress, that 24,500 refugees from Eastern Europe and the Soviet Union could be admitted in fiscal year 1989, ending this September.

The surge at the beginning of the year in Soviet refugee applications is the type of "unforseen refugee emergency" contemplated by section 207(b) of the Immigration and Naturalization Act.

President Bush has determined that it would be inconsistent with our longstanding commitment to assisting refugees from the Soviet Union not to take steps to continue admitting Soviet refugees from Rome and to alleviate the backlog in Moscow.

Thus, the administration—again after consultating with the Congress as provided by the Refugee Act—has recently acted to increase the number of Eastern Europe and Soviet Union admittances from 24,500 to 50,000 this fiscal year. It has asked Congress for additional funding of $100 million to carry this and other related actions out.

It is the administration's intent to use 43,500 of the 50,000 for Soviet refugees.

Proponents of H.R. 2022 have not contended that additional allocations are needed. They propose no additional funding.

They further acknowledge that as efforts go forward to address the problem of applicant backlogs, the President has within his discretion the authority to take temporary administrative actions similar to those H.R. 2022 would attempt to make a matter of law.

Presidential action similar to this has been taken in the past to address needs in Southeast Asia and, unlike the enactment of H.R. 2022, has avoided the cloak of public policy.

Finally, a brief reminder of the current steps that Soviet Jews take in leaving the Soviet Union as evidence that H.R. 2022 is unnecessary.

First, a Soviet Jew or Pentacostal goes to the Israeli consulate. There visas are issued, usually to Israel.

Most then go to Rome where they have the unique privilege of being allowed to change their destination between the United States and Israel. At this point, more than 90 percent do opt to change their destination to the United States, in spite of the fact that they have a visa to Israel, they have cultural and religious ties in Israel, many have family in Israel, and the Israeli Government is strongly desirous of having these Soviet Jews as citizens.

This unique choice is a very great advantage to Soviet Jews.

If they were treated as other refugees, they would first go to Israel and then apply to come to the United States. Then, as would any other refugee, they would wait for admission.

So current law is not only fair to Soviet Jews but it is also highly favorable and generous. Soviet Jews are the only group that have the choice of going to the United States even after another option exists.

The current backlog in applicants could be resolved in a humanitarian manner that is consistent with the treatment of refugees worldwide simply by requiring Soviet Jews to go on to their original destination, Israel.

Put another way, a substantial portion of the backlog that this bill attempts to address results from preferential treatment already being given to Soviet Jews.

H.R. 2022 attempts to do more than simply speed processing of applications. It would guarantee automatically the presumption of refugee status. With that would come favorable treatment including the payment of travel expenses to the United States, the right to apply for citizenship, and relocation and adjustment expenses, averaging $7,000 per refugee.

That is codifying new and highly preferential treatment for particular groups. There is no overriding necessity to consider doing this.

Since enactment of the 1980 Refugee Act, no legislation has been passed by Congress that would create a presumption of refugee status for any particular group seeking admission to the United States.

Proponents of H.R. 2022 argue that grants of extended voluntary departure [EVD] or parole status for Cubans, Poles, and Afghans that were later adjusted to permanent resident status are similar to legislative grants of presumption of refugee status.

That is not true.

All such grants were originally issued by the administration and, in some cases, Congress later acted to adjust them to permanent residency.

H.R. 2022 would establish a dangerous and wholly unjustifiable precedent to our refugee policy.

The Refugee Act of 1980 is the legal basis for U.S. refugee admissions.

The act adopts the definition of "refugee" contained in the U.N. Convention and protocol.

To support the worldwide structure for meeting the needs of refugees, the United States works with the U.N. High Commission on Refugees and other international organizations.

An applicant for refugee admission must meet the definition of a refugee contained in the Immigration and Nationality Act, that of having a well-founded fear of persecution.

Proponents of H.R. 2022 contend Soviet Jews, Pentecostals, and Indochinese should not have to meet this test.

The normal refugee applicant also must be among those determined to be of special humanitarian concern to the United States. And the applicant must be otherwise admissible to the United States and not firmly resettled in another country.

Meeting these tests, an applicant is eligible to be considered for admission under a worldwide priority system established in consultation with the Congress.

Adherence to this refugee process is essential to consistent, evenhanded treatment of all international refugees.

By creating a presumption outside of those priorities, H.R. 2022 violates this carefully balanced program. It says that despite the policy considerations underlying this law and procedure, the Congress should give preferential status and benefits to selected groups.

If we adopt such a precedent, Members of this body soon will have to learn to live by a new rule.

There could be hundreds of thousands of such applicants.

In addition, your Hispanic constituents will be coming to ask your support for similar treatment for Hispanic refugees.

Your black constitutents will be coming to ask your support for a similar preferential treatment for African refugees.

Other ethnic groups will be coming. They will provide you with evidence of inhuman persecutions and ask you to be equally compassionate and committed to the needs of these people.

There are a number of groups around the world that would potentially qualify or that would benefit from such a presumption for a specific class.

For example, certain Nicaraguans, Afghans, Romanians, Catholic Ukrainians, in fact, any other group that is currently considered in the refugee consultations.

On that day, the danger of the precedent that H.R. 2022 would establish will have become a reality.

For refugees around the world seeking asylum, that precedent will have become a living nightmare. No longer would they be able to reach out to a structure of law, to a consistent and evenhanded system of treatment.

H.R. 2022 violates both our refugee and immigration laws.

Short-term solutions to the large number of immigrants seeking to leave the Soviet Union and Indochina are in

place. Long-term solutions are the subject of other legislation, particularly H.R. 2646, which I have introduced on behalf of the administration.

H.R. 2646 gives the President the ability to admit up to 30,000 aliens annually who do not qualify for immediate admission as immigrants and refugees.

It would allow special immigrants to petition immediately for the entry of spouses and minor children. It is a more appropriate response to the Soviet situation.

It would also adjust current Soviet parolees to permanent resident status.

Madam Chairman, the administration opposes the bill before the House, H.R. 2022.

I urge my colleagues to do the same.

Madam Chairman, I reserve the balance of my time.

□ 1530

Mr. MAZZOLI. Madam Chairman, I yield 2 minutes to the gentleman from New York [Mr. WEISS].

Mr. WEISS. Madam Chairman, I thank my distinguished friend for yielding time to me.

I want to commend the distinguished chairman of the Committee on the Judiciary, Mr. BROOKS, and the ranking member, the gentleman from New York [Mr. FISH], the gentleman from Connecticut [Mr. MORRISON] and others who are responsible for getting this legislation before us.

I think the United States of America and the people of the United States have reason to be proud of immigration policy, which compared to the immigration policies of most other countries in the world has really stood out positively. Every once in a while, though, we tend to engage in an act which I think diminishes America. We did that during the 1930's when there were German Jewish refugees knocking on our doors. We refused to let them in.

For some decades now we have been telling the world how terrible the treatment of the Soviet Union is of their citizens, of Soviet Jews, of Pentecostals, and of others and we adopted a policy encouraging the Soviet Union to let those people go. Indeed, we adopted programs which provided sanctions for not allowing them to leave. Then, all of a sudden, lo and behold, they decide to open the gates, for reasons not necessarily of magnanimity, but because they felt it was in their interest to do so. How ironic that we then turn around, we, the United States of America, and say, "Sorry, that is more than we anticipated, we are not going to let them in." That is wrong. That denigrates America. It diminishes America. What this legislation seeks to do is to correct that.

The Reagan administration did the same kind of thing in regard to Cuban prisoners. We kept on saying, while Castro kept people in Cuban prisons for political reasons, that if he let them go, we would allow them in. He let them go, and we started to niggle about them being let in.

This is a chance to correct an obvious injustice. I hope my colleagues will show that we believe in what we say, and not allow persecution to go unattended, but allow those persecuted to enter our Nation.

Madam Chairman, for many years, the United States has placed pressure on the Soviet Union to improve its human rights record. I have been among the many Members of this body who have written countless letters to Soviet leaders on behalf of individuals or groups that have been persecuted in that country because of their religion, or simply because of their desire to leave the Soviet Union.

The persecution of religious minorities in the Soviet Union has been and is notorious. Jews and many other groups face many forms of discrimination, including exclusion from jobs, schools, and housing which are otherwise promised to all Soviet citizens.

The new openness in Soviet society, rather than improving this situation, has had some unfortunate results. Anti-Semitic groups such as Pamyat have grown and prospered under glasnost, perhaps even with the blessing of the Government. While refusenik demonstrations are still regularly disrupted, the KGB chooses to ignore the plethora of leaflets advocating "Death to Jews," the overturning of Jewish tombstones, and the threats of violence which pervade Jewish communities in the Soviet Union.

Perhaps the only area where glasnost has led to true progress recently is emigration. Though the Soviet Union's emigration policy is still far from free, many long-term refuseniks who have struggled against their Government for years have recently been granted permission to fulfill their dream of living in a nation like the United States where religious freedom is respected. And one might imagine that the United States, which for so long has championed their cause, would receive them with open arms.

Unfortunately, that is not the case. After years of protesting the persecution of religious minorities in the Soviet Union, the U.S. Government has suddenly said that the persecution does not exist. Now, each of these refuseniks has to prove that he or she has been persecuted, and in fact, in March, the Immigration and Naturalization Service determined that 37 percent of those who applied had not been persecuted, and could not be admitted to the United States as refugees.

This is a tragic situation, made even worse by the belief that the sudden change in policy is a result of no more than a budget shortfall in the United States. How ironic it must be to these people who have suffered all their life to be told that because the United States has budget problems, their suffering no longer qualifies as persecution.

Madam Chairman, H.R. 2022 would require INS to return to its policy of presuming that religious minorities fleeing the Soviet Union have been persecuted. It is unfortunate that this bill is even necessary, but it is obvious that it must be passed. I urge my colleagues to vote in favor of this important legislation.

Mr. SMITH of Texas. Madam Chairman, I yield 5 minutes to my colleague, the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Madam Chairman, I am pleased to rise in strong support of the pending measure. H.R. 2022, introduced by our distinguished colleagues on the Judiciary Committee, the gentleman from Connecticut, Mr. MORRISON, and the gentleman from New York, Mr. FISH, establishes a legal presumption of persecution for certain categories of emigrees from the Soviet Union, from Vietnam, Cambodia, and Laos for the purpose of granting these individuals refugee status in the United States. There is a pressing need for enactment of this legislation. It responsibly addresses the current refugee situation.

For several decades the United States has led the world in urging the Soviet Union to allow Soviet Jews and other persecuted religious minorities to practice their religious beliefs openly and without fear. Additionally, the Helsinki Final Act, to which the Soviet Union and the United States are signatory, commit member nations to freedom of movement for its citizens, stating that every citizen has a right to leave, including his or her own country. Not a week has passed in the Congress when one of us wasn't circulating a letter to the Soviet leadership on behalf of an imprisoned or refused Soviet human rights or religious activist. The State Department, and successive administrations, have each carried the banner in this regard.

We are now in a situation, particularly with respect to the Soviet Union, where our unyielding stance on human rights has begun to bear fruit. The doors are opening for Soviet Jews, Pentacostalists, and Evangelical Christians, among others. While the Soviet Union is letting many leave, others are refused on charges of secrecy or poor relative status. Under the guise of glasnost, various nationalist movements are sprouting and flourishing, most prominent among them, Pamyat—Russian for memory. These groups, and particularly Pamyat, are virulently anti-Semitic. Its members exhort listeners with anti-Semitic rhetoric and leaflets unlike 50 years ago, the Jews of the Soviet Union are learning from history, and they are leaving the Soviet Union.

The United States has always stood foresquare with freedom. It is the height of hypocrisy when our bureaucracy, which for years allowed Soviet Jews to enter this country as refugees, when so few were being granted exit permission, now reverts administratively, and without notice, to limiting the number of Soviet Jews and other persecuted minorities solely

because more are expected. There is no difference between the Jews who exited the Soviet Union or the ones who exit now. They should all be presumed to be refugees. The history of the Soviet Union is rifed with anti-Semitism and persecution. Merely because people are being allowed to leave does not mean that such denial of human rights no longer exists, thereby disqualifying individuals from being granted refugee status.

Madam Chairman, anti-Semitism in the Soviet Union continues to this very day. In a recent report, Hebrew teachers from all over the Soviet Union have drawn attention to the growing dangers to all Soviet Jews of the continued unhampered progress of rabidly anti-Semitic groups which are now a regular part of the Moscow and Leningrad scene.

In this report, they describe a mass meeting in Moscow. Although the meeting was ostensibly in support of Palestinian victims of Zionism the dominant theme of the speeches was the "Dezionization of Soviet Institutions." Speakers from totally different organizations talked about the need to root out "Zionists hiding under Russian names who had taken over the press, television and organs of government." Perestroika itself was described as a Zionist plot and speaker after speaker with known neo-Facist backgrounds were cheered when they attacked Jews. The teachers bulletin commented that although there were different organizations represented, they were united in their anti-Semitism. "The meeting proved," they wrote, "that anti-Semitism was the cement consolidating every filth."

Typical of the speakers was Evgeny Yefseyev, research associate at the Philosophy Institute of the U.S.S.R. Academy of Sciences, who is also one of the leaders of the Committee of Soviets Against the Restoration of Diplomatic Relations with Israel. His opening address focused on "the internal enemies infiltrating our society." He referred to the percentage of Jews in Moscow, and declared that because of their number "it was simple to build up a network of Israeli spies." Speaker after speaker attacked Jewish front organizations. Anti-Semitic literature was freely available and the manifesto of Pamyat was distributed.

I learned only a few days ago from a Soviet emigre, now an American citizen, that his family, who are in the process of leaving, have learned the membership requirements for Pamyat. They are simple and clearcut: Racial purity, and the names and addresses of three Jews. The fear among the Jewish community is growing more palpable every day. It is preposterous to presume that Soviet Jews are no longer being or that they do not meet the refugee requirement easily. Unfortunately, such persecution has become a historical fact in the Soviet Union.

In this country we have laws governing immigration, and laws governing refugees. They are different for a reason. Refugee ceilings are adjusted every year, sometimes more, because of current events. Some opponents of this bill contend that H.R. 2022 would set a bad precedent. I charge that from a foreign policy stance, from a human rights stance, and from a purely humane stance, it would be dangerous precedent not to respond to current world events and would be grievous not to take credit for a significant U.S. human rights victory.

Our ad hoc House Task Force on Soviet Refugees, on which I am pleased to serve as chairman has been assured by former Secretary of State George Shultz, as well as other highly placed present State Department officials, that Soviet Jews should be presented, en bloc, to be refugees. Discussion has centered on the splitting of hairs, such as, "well, you were discriminated against but not persecuted, so you don't qualify as a refugee." Soviet Jews must be considered refugees, period. Yet, the rejection rate in Rome by U.S. immigration office in past months has not reflected that attitude.

In March of this year, 36.5 percent of Soviet Jews applying for refugee status in Rome were denied. In April that dropped to 27.9 percent in May the denial rate was 19.5 percent. On June 8, 1989, our task force held a meeting with State Department officers in which we were advised that the rejection rate would go down to 10 percent.

Our task force assured by the State Department waited for the June figures. Regrettably, in June they have not gone down to 10 percent, but rather up to a denial rate of 21.3 percent, more than the previous month, and completely contrary to what we were assured would be the standard.

The administration has indicated it plans to conduct a policy review for the long term. To this, H.R. 2022 responds by addressing the short term. Its provisions extend only through fiscal year 1990.

Mr. Chairman, I cannot express my support for H.R. 2022 strongly enough. Our Nation is the hallmark for freedom around the world. This legislation conforms to that standard. Accordingly, I urge my colleagues to support H.R. 2022, which has been endorsed by a number of human rights groups, and which has been cosponsored by a substantial number of our colleagues.

□ 1540

Mr. MORRISON of Connecticut. Madam Chairman, I yield 2 minutes to the gentleman from California [Mr. LEVINE].

Mr. LEVINE of California. Madam Chairman, I rise today in very strong support of H.R. 2022, legislation concerning refugee status for Soviets and Indochinese. I commend the leadership of the Committee on the Judiciary. I particularly want to commend the gentleman from Connecticut [Mr. MORRISON], chairman of the Subcommittee on Immigration, Refugees, and International Law of the Committee on the Judiciary, for his initiative and his leadership on this vitally important issue.

It is certainly ironic, Madam Chairman, that at a time when the gates in the Soviet Union are finally opening, those in the United States appear to be tightening.

Madam Chairman, I think that any observer knows and understands that Soviet Jews and Evangelical Christians in particular continue to be persecuted in the Soviet Union, even if, sadly, the Bush administration is denying this and is opposing this legislation.

I think that the reasons in support of this legislation have been eloquently and well stated by the subcommittee chairman and by others. I would like to take one moment to underscore my very deep disappointment with the Bush administration for opposing this legislation. Shedding crocodile tears on behalf of Soviet Jews and Evangelical Christians and at the same time opposing this bill is sheer hypocrisy. The administration claims that other groups deserve equal treatment, and they certainly provide that—no real action for anybody.

As my distinguished colleague, the gentleman from New York [Mr. WEISS], outlined in his remarks, there have been sad moments and black spots in American history when we have closed the doors to persecuted groups that have been desperately in need of help. It would indeed be a very deep tragedy if in this set of circumstances, when the Soviet Union has finally opened its doors, the United States, the beacon of hope, the beacon of democracy, the example of the world in terms of hope, and in terms of potential, closes its doors in this set of circumstances.

For months, Madam Chairman, the administration has been aware of the Soviet refugee problem and has pledged to do all it can to rectify that regrettable situation. They have an opportunity to do so today, and yet they choose not to do so. It is an outrage.

At the same time, Madam Chairman, this is the same State Department which took a week to meekly and mildly criticize the terrorist act in Israel in which 14 people were murdered on a bus. Meanwhile, the Soviets over Radio Moscow, immediately and strongly, condemned this vicious act of violence.

One wonders why we seem to have lost our voice on such matters of principle.

Again, Madam Chairman, I want to commend the subcommittee chairman both for this bill and for his leadership on the Chinese situation that he will be pursuing and that the subcommittee will be pursuing next week.

Mr. SMITH of Texas. Madam Chairman, I yield 4 minutes to my colleague, the gentleman from Mississippi [Mr. SMITH].

Mr. SMITH of Mississippi. Madam Chairman, I thank the gentleman for yielding this time to me.

Madam Chairman, surely we all want to insure that our Nation offers generous resettlement to emigrants from the Soviet Union. There is a special concern for Soviet Jews and Pentecostals, and that is certainly a valid one. However, H.R. 2022 addresses these concerns in an impractical and costly manner.

By presuming refugee status for Soviet Jews and Evangelical Christians, this bill is a dangerous precedent in violation of the Refugee Act of 1980. Mandating the creation of categories is unnecessary and unwise.

As the gentleman from Texas said, how do we go back to our constituents and to those people or those refugees with families from the Philippines, from Vietnam, from South America and Central America, and from other areas and tell them that they are going to be treated differently than someone else?

The Refugee Act of 1980 already permits the Attorney General of the United States to designate categories of applicants identified as targets of persecution in a particular country. Such a designation should come out of the policymaking process in regard to the Soviet Union.

Madam Chairman, I also rise in opposition to H.R. 2022 because of the unlimited potential for its cost. We already spend millions of dollars every year to help refugees with their resettlement, and this bill would tack on additional costs.

And we must consider that possibly hundreds of thousands of applicants who are waiting to come into the United States may have to wait now for indefinitely long periods of time because of the very uncertain and unclear policies of the United States toward refugees. These staggering figures point to even more staggering costs on this bill that was passed by this House today.

Madam Chairman, I encourage my colleagues to cast a no vote on H.R. 2022.

Mr. BROOKS. Madam Chairman, I yield 2 minutes to the distinguished gentleman from Kentucky [Mr. MAZZOLI].

Mr. MAZZOLI. Madam Chairman, I rise in very, very reluctant opposition to the bill before the committee. Let me say first that I salute the committee and I salute the gentleman from Connecticut [Mr. MORRISON] for having vastly improved on the earlier versions of the bill that were brought before us.

I think particularly the sunset provision in this version is a step in the right direction. However, despite the fact that the bill has been significantly improved, it is not, I believe, the kind of bill which the House ought to pass today. I say that from the standpoint of certainly being very unsatisfied with the terrible backlogs which have been built up in Europe and certainly from the standpoint of having every kind of sympathy for the people who are involved here.

The establishment of a presumption that certain people coming from certain areas and certain lands are automatically refugees is, I think, really a step backward. It returns, as the Members of the House know, our position to pre-1980, before the 1980 Refugee Act was passed. The reason we passed the 1980 act was to get away from nation's specific determinations of who was or was not a refugee.

□ 1550

Madam Chairman, earlier the speaker today said that this was a very political act on the part of the administration. Well, unfortunately passage of this bill today does repoliticize the whole situation of who is or who is not a refugee, so essentially, Madam Chairman, I think the bill, despite its good impulse and laudable goals, sets a very bad precedent. I think it encourages and almost invites other groups similarly situated to apply for this kind of presumption. I think it avoids our addressing the very vexing problems of immigration.

Madam Chairman, my judgment is that many of the people now leaving the Eastern bloc are refugees, are immigrants and not refugees, and our immigration laws will be required to be tailored to meet that need. I think we should relieve the backlogs in every form with parole, additional money, deploying additional agents so every refugee is immediately cleared, but I do not think, despite the again laudable goal, that this is the way to go.

Madam Chairman, I would urge my colleagues to oppose the bill.

Mr. SMITH of Texas. Madam Chairman, I yield 1 minute to the gentleman from Florida [Mr. JAMES].

Mr. JAMES. Madam Chairman, I rise today in support of H.R. 2022, a bill to establish certain categories of nationals of the Soviet Union and nationals of Indochina presumed to be subject to persecution and to provide for their adjustment to refugee status.

H.R. 2022 has two basic purposes. First, it is designed to facilitate the manner in which Soviet Jews, Soviet Evangelical Christians, and certain categories of individuals from Indochina are processed for admission to the United States as refugees. It does this, in effect, by temporarily re-establishing a presumption that such individuals are, as a group, subject to persecution in their homelands.

Second, this bill would allow some 5,000 to 10,000 Soviet and Indochinese individuals who have been, or will be, allowed to come to the United States and remain here permanently, pursuant to the Attorney General's parole authority, to adjust their immigration status from that of a parollee to that of a refugee, thereby giving them an opportunity to apply eventually for lawful permanent residency and U.S. citizenship.

Through my membership of the House Judiciary Committee, the congressional coalition for Soviet Jews, and steadfast communication with my constituents, I have been involved with, and supportive of, this legislation, particularly with respect to the plight of recently released Soviet Jews. I have received from my district requests for assistance on behalf of particular families who have gained long-fought permission to emigrate. The Taubkin family, in particular, is currently living in limbo in Italy, having been denied refugee status by the United States. Although their fate is unclear at this time, the Jewish Federation of Jacksonville and the Jewish Federation of Volusia and Flagler Counties are working deligently to help them begin a new life in this country by securing housing and other forms of assistance for them.

For years the United States has upheld a presumption that Jews and Christians from the Soviet Union are fleeing religious persecution and therefore merit refugee status. Recently, however, the Immigration and Naturalization Service has backed away from this presumption and rejected a high proportion of Soviet applicants for refugee status.

As the Soviet Union has persecuted its Jewish citizens and other religious minorities, denying them freedom of worship and discriminating against them in housing, employment, and education, the U.S. Government has been most vocal in condemning the Soviets while pleading for their approval of "refuseniks' desire to emigrate.

Now we are at an historic moment to help Soviet Jews, and it makes no sense to me to not uphold our Government's long-time pledge to come to the aid of these persecuted people. Now is time to match our words with deeds and pass this crucial legislation.

Mr. BROOKS. Madam Chairman, I yield 2 minutes to the distinguished gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Madam Chairman, I thank the gentleman from Texas [Mr. BROOKS] for yielding time to me.

Madam Chairman, I rise today in support of H.R. 2022, and commend the committee for its leadership on this legislation which would make it easier for Soviet and Indochinese people to qualify for refugee status in the United States. I thank the committee for their hard work on this because this is an issue very important to the people of my district of San Francisco.

I believe it is essential that we adopt legislation which presumes the prosecution of Soviet Jews and Evangelical Christians and certain categories of Indochinese people. This bill shifts the burden of proof from the refugee to the U.S. Government.

The United States has long condemned the Soviet Union for its persecution of Soviet Jews and Evangelical Christians. It would be the height of hypocrisy if, in the face of an easing of Soviet restrictions on emigration—something we have all worked and hoped for—the United States decided it would not accept these people as refugees.

Likewise, in Indochina, we have witnessed an alarming growth in boat refugees from Vietnam, Laos, and Cambodia. Last month, the United States went to the Geneva Conference on Indochinese Refugees and, to our credit, pressed strongly to prohibit forcible repatriation of refugees to Vietnam. We cited repression of Vietnamese dissidents, clerics and intellectuals, and the continued existence of a "gulag" of re-education camps.

The United States must not be seen to vacillate on this issue. We should not to Geneva citing persecution in Vietnam and then come home and question whether persecution exists. This undercuts our position internationally and threatens the carefully crafted agreement made in Geneva. Rather, we must be consistent. We should acknowledge the persecution that exists in both the Soviet Union and Indochina, and admit these people as refugees.

Madam Chairman, we must not lose sight of the fact that we are talking about people here today. People who have left their homelands, in many cases risking there lives to do so. These people deserve our support.

I urge my colleagues to support this important measure.

Mr. SMITH of Texas. Madam Chairman, there are other dangers to H.R. 2022 that have not been brought out, and these dangers have been clearly shown by two articles from the New York Times. The first article was a front page article today which clearly points to the possibility of fraud and the problem of cost if H.R. 2022 is passed. Today's headline of the New York Times article is, "U.S. Foresees Rush in Soviet Emigres. Moscow Drafting Law to Lift Restrictions on Departure." And it reads in part:

> Western diplomats say a draft law shown to them here would allow Soviet citizens to leave at the invitation of virtually any foreign business, organization or individual.
>
> 100,000 REQUESTS EXPECTED
>
> The United States Consul, Max Robinson, said he expected about 100,000 immigration requests this year, as Soviet officials relax their restrictions in anticipation of the new law, and "in 1990, we could see as many as a quarter of a million Soviets seeking to immigrate".
>
> The proposed law would also make it easier for Soviet Jews to apply for emigration directly to the United States.
>
> It could also transform the issue of Soviet emigration from one of the West's major human rights complaints into a giant headache for the United States, the only Western democracy that offers an almost unconditional welcome to Soviet émigrés.
>
> The huge demand has created a crushing workload in the United States Consulate. Mr. Robinson said plans for additional personnel and automation should enable the embassy to interview 6,000 applicants a month this fall—up from about 2,400 a month right now.
>
> But the avalanche of requests keeps growing, raising difficult policy questions about America's ability to absorb masses of Soviet immigrants.

Madam Chairman, if H.R. 2022 passes and we have this change in Soviet law, as we expect, then thousands of people can come to the United States that we now no longer expect. All they have to do is raise their hand, say, "I am a Jew," or, "I am a Pentecostal'," and in they come.

In addition to that, we have the huge expense attached to refugee status which averages about $7,000 that are paid by the American taxpayer for every refugee.

Let me give my colleagues two figures based upon the two figures mentioned in this article. If a hundred thousand additional refugees are allowed admittance, that is $700 million. If the quarter of a million forecast comes true, that is almost $2 billion of American taxpayers money that would be used for refugees.

Madam Chairman, the second New York Times article I refer to is from last month, June, again a front page article, and this shows the danger of H.R. 2022, which allows an entire group, an entire class of individuals, to come to the United States on a presumptive basis. This article headline is, "Soviet Emigre Outlaws Fusing Into a New Mob."

> A criminal underworld of Soviet émigrés, some of them skilled in white-collar crime and hardened by Soviet prison and labor camps, is reaching beyond its base in Brooklyn, using extortion and violence in its own neighborhoods and engaging in multimillion-dollar racketeering schemes on an international scale.
>
> They feel we are pussycats said one New York detective monitoring the networks, and the United States is one big candy store.

Although most of the new arrivals, and many of the criminals are Jewish, investigators say those who arrived as Jews in fact forged their identity papers in order to leave the Soviet Union. Also investigators said somewhere undoubtedly KGB agents smuggled into the United States among legitimate immigrants. Federal agents say the Immigration and Naturalization Service in the absence of cooperation to the authorities is in no position to weed out criminal pasts among the thousands of immigrants passing through transit camps outside Rome.

Madam Chairman, should H.R. 2022 pass, all that is going to be doing is tempting the thugs and the criminals of the Soviet Union to try to gain admittance into the United States.

Madam Chairman, I would urge my colleagues to vote no on H.R. 2022. In addition to the reasons that I have just mentioned are pointed out by the New York Times article, H.R. 2022 is unfair. It singles out select groups for preferential treatment. It guarantees U.S.-paid travel and relocation expenses to individuals who are already declared ineligible. The administrative problem the bill seeks to address results from existing preferential treatment already provided Soviet Jews.

Second, it is unnecessary. The administration in consultation with Congress has already adjusted allocations to accept targeted groups. Necessary funding has already been requested. Administrative discretion has already been made available to address additional needs.

Third, it is bad precedent. It says the House will provide waivers for select groups. Other groups can be expected to seek similar preferential treatment as I suspect we will see in a few minutes with the case with amendments.

Lastly, the administration opposes H.R. 2022, and I would urge my colleagues to do the same.

□ 1600

Mr. MORRISON of Connecticut. Madam Chairman, will the gentleman yield?

Mr. SMITH of Texas. I am happy to yield to the gentleman from Connecticut.

Mr. MORRISON of Connecticut. Madam Chairman, the gentleman made reference to the possibility of spies and criminals and others coming in among these Soviet refugees. I wonder, does the gentleman suggest that somehow these individuals, the presumption as individuals is going to bring in some special group different from the 43,500 that will come in under the numbers that are approved and the additional thousands of parolees?

The CHAIRMAN. The time of the gentleman from Texas [Mr. SMITH] has expired.

Mr. BROOKS. Madam Chairman, I yield 2 minutes to the distinguished gentleman from Florida [Mr. SMITH].

Mr. SMITH of Florida. Madam Chairman, I thank the gentleman for yielding me this time.

Madam Chairman, what we are talking about is an interesting subject. What we have is an administration that over the last number of years has made the exit of persecuted minorities in the Soviet Union a high priority foreign policy goal; so for years we have been beating on the Soviet Union diplomatically to let out Jews, persecuted minorities like Pentecostals and other ethnic minorities. We have agreed over the years to take them in as a persecuted refugee.

But what happened? In October OMB, who all of a sudden has become the world's great and total, for this administration and the last one, voice on what is supposed to go on everywhere in the world, decided we were running out of money. So they contacted the INS and the Department of State and said:

> You will change your rules. These people that we have been beating on the Soviets to allow to exit and immigrate will now be treated as parolees.

So when the INS and the State Department put this into operation through OMB's decision, not our decision, what happened? We did the very thing that we have been accusing the Soviet of doing for years. We started to split up families. There are a lot of people in this Chamber who worked on families that have been split up by the United States after they were let out of the Soviet Union, but OMB's plan had gone into effect.

We are here to correct a terrible wrong that we have done to people and a foreign policy goal to set it straight that we believe is the right goal and that we have consistently supported in this Chamber.

The people that we are talking about here are refugees. They are in fear of persecution. The Jews and other ethnic minorities in the Soviet Union have not had their situation changed.

Oh, yes, haphazardly, without plan or pattern, more exit visas have been granted by the Soviet Government, but nothing has changed. No constitutional change has been made, no legal change has been made, nothing.

We must do this to correct a wrong in order to institute a policy that we have agreed on for years.

I urge you to adopt this bill and the Lipinski and the Solarz amendment which will make this bill very strong and a great foreign policy goal for what America stands for.

Mr. BROOKS. Madam Chairman, I yield 1 minute to the distinguished gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR. Madam Chairman, I rise in strong support of the Lipinski-Cox amendment. While we extend a much-needed hand to Soviet Jews and Evangelical Christians, it is imperative that we include Ukrainian Catholics and Ukrainian Orthodox as well. Both of these churches were declared nonexistent under Stalin and still remain outlawed today. They are two of the most persecuted and oppressed groups in the Soviet Union.

If we do not specifically include Ukrainian Orthodox and Catholics in this bill, they may encounter the same problems currently facing Soviet Jews seeking immigration to the United States. Let us send a strong message to Gorbachev, that while we welcome glasnost, we will not relax our vigil of human rights abuses in the Soviet Union until all religions and minorities are given their freedom.

Madam Chairman, I submit that true freedom must extend to all segments of a society. This amendment provides an opportunity to demonstrate our adherence to this principle. As the grandson of a Ukrainian immigrant, this amendment means a great deal to me. I urge support for the Lipinski amendment.

We are fortunate in this country to enjoy religious freedom, but we must never forget the plight of millions who face religious persecution around the world. I urge my colleagues to vote for the Lipinski-Cox amendment.

Mr. BROOKS. Madam Chairman, I yield 1 minute and 45 seconds to the distinguished gentleman from New York [Mr. SCHEUER].

Mr. SCHEUER. Madam Chairman, the Congress over the years has erected a noble and generous immigration policy that reflects the American spirit.

For many years we have accepted more immigrants than all of the rest of Western industrialized countries in the world put together. What a noble statement that is of American ideals.

We have pressured the Soviet Union for years to live up to its obligation under the Helsinki accords and permit their people to emigrate and to loosen and relax the pressures of religious discimination that have so devastated the lives of not only Jews and Pentecostals, but others, too.

Now we are about to seize defeat out of the jaws of victory.

Now just as our relentless pressuring over the years is beginning to pay off and the Soviet Union is beginning to relax those iron chains and open up their doors, significantly, to their credit, we are saying to those who have suffered for seeking freedom that we cannot absorb them.

We cannot absorb refugees from the Soviet Union who have been among our greatest scientists, our business leaders, communications people, artists, pianists, violinists, contributing to the progress of American engineering, science, mathematics, and culture. We have a rate of adult illiteracy in this country of 25 percent. Most Soviet immigrants who come into this country are literate, productive, and contribute to our economy.

To abandon our longstanding policy now, when it is finally working would be a supreme irony. It is preposterous. It is an insult to the Congress that the Justice Department has demeaned and degraded the nobility of our immigration policy and the efforts of countless people over many years past to bring freedom to oppressed minorities who wish to come to our shores.

I want to congratulate the gentleman from Connecticut [Mr. MORRISON] and the gentleman from New York [Mr. FISH] for this marvelous amendment and I urge my colleagues to support it.

Mr. BROOKS. Madam Chairman, I yield 1 minute to the distinguished gentleman from New York [Mr. ENGEL].

Mr. ENGEL. Madam Chairman, I rise in support of H.R. 2022, legislation which grants presumptive refugee status to Soviet Jews, Evangelicals, and certain Indochinese.

In 1988, the Attorney General changed U.S. policy concerning the admission of these groups to the United States. Before the policy change, applicants for refugee status were presumed to have a fear of persecution if forced to return to their country of origin. There is virtually no person in this country who is unaware of the fact that the Soviet Union, despite the very recent incremental improvements in that country, has been a nation in which Jews and others have suffered from harsh, intentional discrimination and persecution. None of us is naive enough to think that a few years of glasnost will erase decades of institutionalized anti-semitism in the Soviet system.

It is highly ironic that for more than 20 years, we have been struggling, both as individuals and as a Nation, to help secure the rights of Soviet Jews to emigrate. In the past year, the Soviet Union has opened the door to some of those wishing to leave, and now the United States starts drawing very fine distinctions, saying some who leave are persecuted and others are not.

I am sure that there are many Soviet officials who have been scratching their heads in amazement. For all these years, the President of the United States, Members of Congress, and the general public have been clamoring for the exit of Soviet Jews. Now, the Soviets are permitting many thousands to exit, and they are witnessing this embarassing spectacle. As

a result of INS policy, the Congress is forced to pass legislation to let these Soviet emigres into the United States. This is a sad commentary on a refugee admission policy which appears to be driven by a set of severely confused principles.

Madam Chairman, let us send a signal to the world that when the United States pursues a policy of emigration for Jews and others in the Soviet Union, we fulfill the objectives of that policy. One clear objective of our struggle for Jewish emigration from the Soviet Union was to give these people safe haven and the opportunity to live in freedom in the United States if they so choose. Indeed, tens of thousands of Soviet Jews have settled in the United States and now live productive lives in this country.

Madam Chairman, I urge my colleagues to support this bill, as is a measure to restore the dignity of those who have fled persecution. It is also a measure to restore the dignity of the U.S. Government, which has oddly turned its back on these people in a most awkward and undignified way. I urge the passage of H.R. 2022.

Mr. BROOKS. Madam Chairman, I yield 1 minute to the distinguished gentleman from Minnesota [Mr. SIKORSKI].

Mr. SIKORSKI. Madam Chairman, I rise today to speak in support of H.R. 2022 and the Lipinski amendment and against the administration, which continues to carry out Ed Meese's August 1988 directive to the Immigration and Naturalization Service on new operating procedures for Soviet Jews and other minority applicants for refugee status.

Is it not ironic: Now we need not only push the Soviet Union to expand and legalize their human rights reforms, but beg the U.S. administration to rectify their treatment of these freed Russian immigrants.

For decades, America has spoken out against Soviet oppression. We have tried to enlighten the world to the plight of Soviet refuseniks—Jews, Evangelicals, and other ethnic minorities denied their basic human rights. These refuseniks have been living with fear, discrimination, and multiple persecution in their homeland. For decades they have been given our assurances of freedom during our visits with them in the Soviet Union and in repeated broadcasts of Voice of America. They have been the pivotal point of our diplomatic polemics and our foreign policy. Summit after summit, we have been arguing, negotiating, and conditioning our agreements with the Soviet Union on the basis of this group's right to emigrate. And our trade policy has put our dollars where our mouth is.

Now, they are a group of people that the American administration is spurning; making them the American version of refuseniks or "waitniks."

What has changed? This vaunted word "glasnost" has not eradicated anti-semitism and political persecution of Jews in the Soviet Union. Anti-semitism is flourishing in the Soviet Union under glasnost and the need of these refugees to emigrate has become even more pronounced.

Remember: None of the reforms that have been publicized to the world's media have been legalized or institutionalized. If President Gorbachev fails—these reforms can fail with him.

Remember: The Soviets are continuing to deny many Jewish applicants based on the spurious pretext of possessing state secrets from jobs left decades before.

Remember: The motivation of the Soviet Government are not humanitarian, but rather a desire to benefit in trade and technology from good relations with the United States—relations they know are contingent upon their human rights record. How significant will human rights be perceived by the Soviet Union as a priority of United States' foreign policy if our foremost case of Soviet human rights abuse—emigration of Soviet Jews—proves to be unworthy of our time, our money, and our sympathy?

The integrity of American foreign and human rights policy is at stake.

Under current INS operating procedure, refugee status is granted only if in the course of a 15-minute interview, with largely untrained U.S. Immigration and Naturalization Service officials, Soviet refugees can prove a well founded fear of political persecution.

According to Robert Eddy, chief INS official in Rome, the new policy's implication is that discrimination no longer amounts to political persecution.

This is tantamount to shifting the burden of proof to the victims, whose understanding of the process as well as their understanding of English is usually insufficient to create testimonial quality evidence on their behalf.

Therefore, over 4,000 individual cases of Soviet Jews have recently been denied refugee visas on the pretext that they do not fit the precise, new, glasnost sanitized definition of a political refugee.

With the administration, we have addressed the need for increased allotment numbers for this fiscal year and Congress has passed an appropriation bill to carry us through this period, as well. However, the most important and humanitarian issue has yet to be addressed. Hopefully, we will do that today.

The Immigration and Refugee Subcommittee held a hearing on the unjust situation facing Soviet emigres in Ladispoli, Italy, in April. I had the opportunity to testify before the committee. Recent legislation introduced and reported by Congressman MORRISON, chairman of the subcommittee, incorporates what I was trying to accomplish with my legislation. Chairman MORRISON deserves special praise for his sensitive and sensible work. Hopefully, our hard work and effort will culminate in the passage of legislation that will return the INS to the operating presumption for the last 8 years: a Soviet Jew, by the fact that he/she lived in the Soviet Union has suffered from political persecution. We now call on President Bush to show his "kinder, gentler nature," support this legislation, and allow these refugees to emigrate.

This bill also legislates this same status to refugees from Vietnam, Laos, or Cambodia because we have also made a significant special commitment to these people as well; through our foreign policy's recognition of their persecution in their homeland.

To those who oppose this legislation saying we are no longer making these individuals meet the well founded fear of persecution test, I say we are simply reiterating what we have been claiming in our discussions with the Soviets for years; That they, as Russian Jews and Baptists, all have been forced to live with not only a well founded fear of persecution, but in many cases real persecution.

To those who say we are giving them special treatment, I argue that the treatment we have been given them for the last 10 months is not very special in light of the commitment we have made to them for the last 20 years.

Fifty years ago this spring, the ship *St. Louis* carried 930 Jewish refugees from Hitler's Germany. It, too, was refused port in the United States. These refugees were forced to stay in Europe and many of them died from Hitler's persecution.

Have we not learned from this tragic mistake?

We cannot be silent once again and allow these 1989 immigrants' fight for freedom and opportunity in America to perish. I urge you to support Chairman MORRISON and H.R. 2022.

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Mr. BROOKS. Madam Chairman, I yield 1 minute to the gentleman from California [Mr. BERMAN].

Mr. BERMAN. Madam Chairman, I rise today in support of H.R. 2022.

I urge my colleagues to vote in favor of this bill and restore presumption of refugee status to Soviet Jews who have escaped persecution in the U.S.S.R. only to find themselves refuseniks of the United States.

The time has come to dispel a myth. A 1,000 year legacy of Russian anti-Semitism has not evaporated with glasnost. In fact the reverse is true. In

the new Soviet environment, latent anti-Semitism has reemerged as radical groups, such as the virulently racist and anti-Zionist Pamyat, spread their messages of hate. Jews still in the U.S.S.R. now live in constant fear of physical violence and possible pogroms. That is why 5,000 Jews a month are leaving the Soviet Union.

With good reason, "trust but verify" is the principle we apply to every other area of our relations with the Soviet Union. The recent tragedy in China is a compelling example of reliance on the goodwill of totalitarian governments to protect the universal rights of their citizens. With this in mind, we must remember that the Soviet Government has yet to codify its new emigration policy into any legal framework. Soviet Jewish activists are correct when they remind us that the door could slam shut at any moment. That is why we have to act now.

We made a promise to Soviet Jews. We said to them, "Fight for your principles—if necessary lose your job and go to jail to assert your basic human rights." For our part we held out the hope of refuge in this country for these brave men and women who found their inspiration in our Constitution.

That is why I believe that our present policy toward Soviet Jews is not just inhumane—it negates a decade of a successful and widely supported foreign policy—13,000 Soviet Jews wait in Italy for the right to enter this country as refugees. Each family has a story to tell of persecution, imprisonment, discrimination, of a job denied, or academic rejection—all for one reason alone—they are Jews. These are people who have uprooted their lives and taken life-threatening stands for the chance to live in freedom. They have suffered enough and it is ironic that now it is we who are responsible for their continued agony.

I am particularly concerned and dismayed at the way in which our own Immigration and Naturalization Service adjudicated and rejects refugee applications. It is a process that can only be described arbitrary and capricious. I hear stories from my own constituents, desperate for reunification with their families, or elderly relatives who having been imprisoned by the KGB and barred for years from leaving the U.S.S.R. now find themselves denied refugee admission to this country without explanation. Thousands of those seeking refugee status are being turned down by the INS. In addition, living conditions for those in Rome deteriorate daily and within a few days the first group of families will be cut off from financial support as private relief organizations begin to run out of money.

Madam Chairman, by implementing the legislation offered today by the gentleman from Connecticut, we will begin the process of alleviating the suffering. In restoring presumptive refugee status, we can in one stroke end a cruel process that divides families and reestablish a humane and decent foreign policy that promotes family reunification. We will also reduce the burden on State and local governments as well as private agencies who should not be required to pick up the check for our foreign policy decisions. By passing this bill we will lay the groundwork for establishing a stable, long-term solution for the future and most importantly, we will ensure that the pipeline to liberty remains open and unclogged for those Soviet Jews who choose to escape their homeland.

Mr. BROOKS. Madam Chairman, I yield such time as he may consume to the gentleman from Michigan [Mr. WOLPE].

Mr. WOLPE. Madam Chairman, I rise in strong support of H.R. 2022.

Mr. BROOKS. Madam Chairman, I yield such time as she may consume to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Madam Chairman, I rise in strong support of H.R. 2022.

Madam Chairman, I rise in support of H.R. 2022, a bill that will guarantee refugee status to Soviet and Indochinese groups who have historically been oppressed and denied religious freedom. This status would clear the obstacles for many Soviet Jews, as well as for other religious believers, who are trying to emigrate to the United States.

The legislation is unfortunately necessitated by a former Attorney General's reversal of the Immigration and Naturalization Service's longstanding humanitarian policy of granting presumptive refugee status to those fearing persecution in the Soviet Union and Southeast Asia. This means that the victims of the state are burdened with proving something which is painfully obvious to most reasonable people—that they have a well-founded fear of persecution—if they want to gain refugee status. The lengthy interviews and large amount of paperwork currently required have brought the normal flow of refugees to the United States to a halt, leaving many feeling stateless, hopeless, and betrayed.

I have received a large number of letters from the relatives and friends of people waiting in Rome, Vienna, and Moscow to gain refugee status. These thousands of people have given up their citizenship and all their privileges in the name of freedom.

The situation is personified by the case of Riva and Felix Sokolsky, whom I have been trying to help. They are two Soviets who became the objects of persecution simply because they were Jews. They eventually were allowed to leave and they made their way to Italy to apply for refugee status from the United States, but were denied and remain in Italy indefinitely without jobs, family, or friends. This is only one of dozens of such cases which constituents have brought to my attention in hope of assistance.

The Sokolsky's situation is representative of the desperation felt by many in similar circumstances. This bill would insure the refugee status needed to emigrate to the United States and is the only humane alternative. We cannot let these people continue to suffer.

I urge my colleagues to vote in favor of H.R. 2022.

Mr. BROOKS. Madam Chairman, I yield such time as he may consume to the gentleman from New York [Mr. SOLARZ].

Mr. SOLARZ. Madam Chairman, I rise in strong support of this legislation.

Madam Chairman, as someone who has been deeply concerned about Jewish emigration from the Soviet Union for many years, I strongly support enactment of H.R. 2022, which is a reasoned and compassionate response to ill-conceived actions by the Immigration and Naturalization Service. Tragically, just as the gates appear to be opening for Jews and evangelical Christians in the Soviet Union, the door of America for thousands has been slammed shut by the United States.

As a result of INS policy shifts in August 1988, denial rates have soared: A total of 4,919 Soviets were denied refugee status from October 1988 through March 31, 1989. In Rome, the denial rate for March 1989 was almost 36 percent; in Moscow, the denial rate was 85 percent by the end of March.

Despite welcome liberalization in the Soviet Union, both Soviet Jews and evangelical Christians continue to suffer, and have a well-founded fear of persecution. Moreover, in an evaluation of INS processing of Soviet asylum seekers, the General Accounting Office found several inconsistences in the new screening program—attributable to lack of knowledge about country conditions by INS officers, differing interview approaches, and the volume of applicants—and noted that 208 out of 415 cases that had been reviewed had been reversed as of March 31, 1989.

These unfortunate changes in policy come at a time in which prompt responses—rather than chaos and delay—are required to deal with the outflow of Soviet asylum seekers.

By the end of April, more than 26,000 Soviets were awaiting interviews in Moscow; at the same time, more than 5,000 persons in Rome were either awaiting interviews or had not yet had their cases presented to INS, and were forced to languish in a kind of social and economic purgatory.

The numbers—as important as they are—can at times obscure the human dimension of this unfortunate situation.

The case of two young Soviet Jews, Mark and Zanneta, a married couple in their thirties, and relatives of constituents in my district in Brooklyn, illustrate the problem. Growing up in the Soviet Union, they were constantly called "dirty Jews" by their classmates and were barred from attending college. During his stint in the Soviet Army, Mark was repeatedly beaten and chastised by a commanding officer who called him a dumb Jew. He was also beaten unconscious by his coworkers for discussing the problems facing Soviet Jews. Zan-

neta was fired from her job and the couple's home was vandalized by hooligans who painted swastikas on the door.

While Mark and Zanneta were able to escape from the Soviet Union late in 1988, they were—unbelievable as it seems—denied admission to the U.S. as refugees. Unfortunately, this is only one of many terrible stories that I have been made aware of in recent months.

The proposed legislation will ensure that these kinds of stories do not continue, and—combined with the enlarged 1989 refugee ceiling for the Soviet Union—will go a long way toward ameliorating this situation.

As the representatives of a Brooklyn constituency with the largest percentage of Soviet Jews in the Nation, permit me to say a few words about this community in particular. It is not only in the best interests of the Soviet-Jewish community to end this terrible immigration crisis, but it is in our national interest as well; like other waves of immigrants before them, Soviet Jews have brought new ideas and new ambitions, new drive, and new achievements to America. I am immensely proud to represent the flourishing Soviet Jewish neighborhoods in Brooklyn.

In addition, I strongly support the legislation's call upon the administration to establish categories of Indochinese who are subject to persecution, and I will be proposing an amendment to designate specific groups of Indochinese to be included in those categories. In the case of the Indochinese, changes in INS refugee processing in February of this year have resulted in skyrocketing denial rates for refugee applicants in Vietnam, raising important questions about whether the ODP Program is being administered fairly.

Between February and May, about 70 percent of asylum seekers were denied refugee status; prior to February, the figure was under 10 percent. These changes in procedures have created serious concerns that the INS may not be following its own guidelines on the processing of Indochinese refugees—concerns that are amplified by the fact that the INS conducts refugee interviews in Vietnamese Government buildings using Vietnamese Government interpreters, hardly an environment that promotes a free exchange of information about persecution.

I strongly urge my colleagues to support H.R. 2022.

Mr. BROOKS. Madam Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. GEJDENSON. Madam Chairman, I rise today to express my strong support for H.R. 2022, granting refugee status to certain members of groups known to be subject to persecution in the Soviet Union and Indochina.

I wish to commend Mr. MORRISON, my colleague from Connecticut, for his efforts in drafting this legislation as the chairman of the Subcommittee on Immigration, Refugees and International Law. This timely piece of legislation will provide a much needed remedy to a significant problem that has persisted with the processing of applicants who are piling up in refugee camps within Europe.

This logjam of potential emigres began in August 1988 when Attorney General Ed Meese reversed a longstanding policy of the Immigration and Naturalization Service that allowed refugee status to be determined without the need to demonstrate a "well founded fear of persecution" on an individual case-by-case basis.

It has been entirely evident in the past and continues to be that these people have been consistently subjected to persecution within their native homeland by denial of a basic human right, their right to practice their own faith.

This reversal is unfounded and ironic. The exit of Soviet Jews represents a triumph of American foreign policy and yet the United States is rejecting many Jews and Christians who were able to exit the Soviet Union only because our Government pressed for their release.

Since December 1988, 3,000 to 4,000 Soviet emigres a month have been arriving in Western Europe for processing. Maintaining these refugees has become extremely costly both in terms of dollars and human endurance. The refugee camp in Ladispoli, Italy, now houses over 12,000 Soviet refugee applicants, many of whom have been there several months.

This bill will restore a presumption of refugee status for these persecuted individuals in the Soviet Union and Indochina and direct the Government to establish categories of individuals who merit this presumption. Passage of this bill is a fair and just response in solving the current crisis in both areas. I urge my colleagues to support this legislation with me and resume the timely and much needed return of allowing these individuals the right to emigrate.

Mr. SCHUMER. Madam Chairman, I applaud the gentleman from Connecticut for his leadership on this issue, and for bringing this important bill to the House floor.

Last year, the Reagan administration won a tremendous human rights victory by convincing General Secretary Gorbachev to allow thousands of people to leave the Soviet Union. Yet, no sooner were the gates of the Soviet Union flung open, when the doors of America were slammed closed on those fleeing persecution.

No one anticipated the tide of refugees that have flowed from the Soviet Union. As a result of the large numbers, budgetary constraints initially led to a temporary suspension of refugee visa processing at the American Embassy in Moscow. Families were left stranded.

Then, the administration reversed longstanding policy that presumed that Soviet Jews and Evangelical Christians were refugees. This policy reversal has resulted in arbitrary denials of refugee visa applications for Soviet citizens, and has divided thousands of families. My office alone has received hundreds of appeals to reunite Soviet families where certain family members have been denied refugee status, and others, from the same household, have been granted permission to come to the United States.

Finally, in an attempt to accommodate the swelling numbers of Soviet refugees, the administration cut back on the number of refugee visas available to the Indochinese. Pitting one deserving group of people against another who seek safe haven in our country is unacceptable.

This is not the showing of compassion worthy of a kinder, gentler nation.

When the administration said to Gorbachev, "Let your people go," our Nation made a commitment to let those people come to our country. Despite the promise of glasnost, many Soviet citizens are still constrained in the practice and teaching of their religion. Antisemitism still prevails in the Soviet Union.

While there is a crack in the Iron Curtain, let America welcome those who can come through.

H.R. 2022 recognizes the years of persecution faced by Soviet Jews and Evangelical Christians, and by the Indochinese. I urge my colleagues to vote for this bill which restores the proper balance to our refugee program.

Mr. LANTOS. Madam Chairman, I rise in strong support of legislation being considered today by the House which will make it significantly easier for Soviet Jews and other persecuted minorities to gain admission into the United States as refugees.

First, I would like to pay tribute to our distinguished colleagues who have worked to bring this essential bill to the floor: Congressman BRUCE MORRISON, the author of the bill and chairman of the Subcommittee on Immigration; Congressmen BARNEY FRANK, of Massachusetts, CHUCK SCHUMER and HAMILTON FISH, of New York, and HOWARD BERMAN, of California, all members of the subcommittee who have devoted a great deal of time and effort to this matter; and my good friend, Congressman BEN GILMAN, of New York, who has worked tirelessly to see the adoption of this important legislation.

Over the years, the United States has made it clear that the relaxation of Soviet emigration policy was a vital United States foreign policy goal. We have supported Soviet refuseniks who desire freedom and we have supported their efforts to emigration. But after years when Soviet Jews automatically qualified as refugees, the Immigration and Naturalization Service recently departed from its longstanding practice of presuming that these individuals have a well-founded fear of persecution. The result is that many Jewish refuseniks have emigrated from the Soviet Union, only to find that they do not have refugee status and thus cannot enter the United States.

We cannot and must not turn our backs on these Soviet refugees. We cannot stand idly by and see them excluded from admission to the country for which they risked their lives. It would be a grievous betrayal of our principles and the abandonment of a decades-long effort by the Congress and the U.S. Government. Mr. Chairman, we have a responsibility to meet the aspirations of these persecuted peoples for freedom and human rights.

For years the United States has fought for the persecuted who have risked their lives, their careers, and their well-being—and in some cases faced years of deprivation in the gulag or work camps—to come to the United States. Tragically, just as large numbers are finally receiving permission to leave the Soviet Union, we have changed the rules. As a result, large numbers of applicants have been denied refugee status, despite a lack of mean-

ingful change in the condition facing them. Anti-Semitism is on the rise in the Soviet Union and ancient prejudices and hatred continue to brew.

Emigration from the Soviet Union has shown sharp shifts over the past several decades, In the 1970's, emigration reached unprecedented levels, as tens of thousands of Jews were granted permission to emigrate. In 1979, Jewish emigration from the Soviet Union reached over 50,000. In the first half of the 1980's, however, Soviet policy became much more restrictive. From 1983 to 1986, the number of Jews allowed to emigrate averaged 1,000 per year. Soviet emigration took another sharp upswing in 1987, when Jewish emigration increased to over 8,000. In 1988, 19,000 were allowed to leave, and this year it is estimated that this number will be at least double that number.

Madam Chairman, the problem is not simply a Jewish issue. In 1988, over 1,500 Pentacostals and other Evangelical Christians were denied refugee status, and there has been a rapid increase in rejection of refugee status in the Vietnamese Orderly Departure Program. Because of the change of INS immigration policy, however, a large number of refugees faced being stranded either in their home country or in transit.

Madam Chairman, the Congress must remedy the gross inequities being caused by INS's ill-conceived and heartless policy. I strongly support—and urge my colleagues in the Congress to support—H.R. 2202. This legislation will return the presumption of refugee status to Soviet Jews and other persecuted minorities. It will also allow those entering the United States under parole status to adjust their status to refugee through reapplication.

Mr. GALLO. Madam Chairman, I rise in strong support of H.R. 2022, to restore presumptive refugee status to members of groups known to be subject to persecution in the Soviet Union.

Today, thousands of Jews who emigrated from the Soviet Union are waiting in Moscow, Vienna, and Rome, for permission to enter the United States as refugees. Their dream of starting a new life in America has been indefinitely delayed because our Government arbitrarily changed the rules. H.R. 2022 simply corrects this inequity.

Over the years, a number of Members of Congress and the administration, in recognition of the fact that Soviet Jews have suffered from persecution under the Soviet regime, have challenged the Soviet authorities to allow these individuals to immigrate freely to the United States.

As a result of this persistent pressure, the Soviet Government is now allowing large numbers of citizens to emigrate. In 1988, 22,000 Soviets received permission to leave compared to 913 in 1986. Currently, 3,000 to 4,000 Soviet emigrants a month are arriving in Western Europe.

This is a tremendous accomplishment and the Reagan and Bush administrations deserve much of the credit. But at the same time that their tireless efforts have begun to produce results, the Immigration and Naturalization Service has stopped granting automatic refugee status to Soviet Jews.

Prior to the summer of 1988, the INS held that all Soviet Jews had a "well-founded fear of persecution" and thus granted them automatic refugee status. Because of this change, to date, over 4,000 Soviet Jews have been denied refugee status.

Many of those who have been waiting for months for a determination of their refugee status or who have been denied refugee status have friends and loved ones in my district. Thus, I have learned first hand of their ordeals.

The case of Vilenin Tikhonov epitomizes the hardship that Soviet Jews have suffered as a result of the change in our refugee policy.

A few years ago I helped Irene Goland, her son, and her parents emigrate from the Soviet Union to the United States. Unfortunately, Irene's husband, Vilenin Tikhonov, was unable to emigrate at that time.

After being fired from his job and threatened with imprisonment for expressing his religious and political views, Vilenin Tikhonov was finally granted permission to leave the Soviet Union. He left the Soviet Union on April 16 and arrived in Italy shortly thereafter.

Unfortunately, Vilenin is still waiting in Italy. By passing this bill we will ensure that Vilenin and hundreds like him will finally be reunited with their families.

In sum, I find the change in our treatment of Soviet Jews unjustifiable. The Soviet Union's long history of state-sponsored oppression and persecution of Jews has been well documented. President Gorbachev's reforms have not significantly improved the situation. As a group, Jews are still perhaps the most oppressed in the Soviet Union.

It took years of constant pressure to convince the Soviet Government to allow freer emigration. Now that these doors are beginning to open, we must follow through on our longstanding commitment to these emigrants.

Therefore, I fully support H.R. 2022 and urge my colleagues to ensure its passage.

Ms. SCHNEIDER. Madam Chairman, I rise in strong support of H.R. 2022, legislation to provide refugee status for Soviet Jews. For years I have, independently and in concert with my colleagues in Congress, written letters to various Soviet leaders requesting that Jews known to be singled out for particularly harsh treatment be allowed to emigrate to the West. We now have an opportunity to accept a large increase in the number of Soviet Jews seeking to emigrate, but only if we are consistent in our desire to help them.

Mr. Speaker, several of my constituents have made trips to Ladispoli, Italy, to gain a firsthand understanding of the difficulties faced by Jews who have been allowed to leave the Soviet Union, but who lack the presumption of persecution necessary to obtain refugee status. They have reported back their dismay at the lack of consistent policy in determining who is deserving of refugee status and who is not. By allowing the presumption of persecution to Soviet Jews, Evangelical Christians, and certain categories of Indochinese emigrants, the United States continues a tradition of humanitarian assistance to those seeking to escape intolerable living circumstances in their own countries.

The bill before us today is a modest effort to take advantage of an opportunity to provide refuge for groups known to suffer persecution in their homeland. We have no way of knowing how long the current liberalization of emigration policy will exist in the Soviet Union. We should, however, assume that this opportunity may not persist and that every effort should be made to allow every Soviet Jew who wishes to establish a new life in America be given that opportunity.

Mr. PORTER. Madam Chairman, I rise in strong support of H.R. 2022 to provide relief for certain Soviet and Indochinese refugees.

This bill creates an important presumption that certain categories of emigrees from the Soviet Union and certain parts of Indochina are persecuted at home and should be granted refugee status.

This is the correct move to make in this situation—Soviet Jews and Evangelical Christians are classes of individuals subject to persecution. So are the categories of Vietnamese, Laotians, and Cambodians included in the bill.

The bill is limited in scope—this special status applies only through September 30, 1990.

The bill does not change the requirement that refugee status be granted on a case by case basis, it simply shifts the burden of proof.

This bill solves one part of the refugee crises we are currently facing.

Much more needs to be done by the Congress and by the administration.

We cannot ignore the flow of refugees exiting the Soviet Union. We cannot ignore the need to provide for them.

In this regard I must note that the administration budget requests for funding refugee activities of the State Department and in the Department of Health and Human Services are not realistic nor adequate.

Madam Chairman, for years the United States—Congress and administration together—have banged on the door of the Soviet Union demanding the release of Christians and Jews who wish to leave.

With glasnost, these persons finally are being allowed to leave in increasing numbers.

But now it is the United States which is being humiliated in the international arena because we are not addressing the needs created by this situation.

This bill, at least, represents a step in the right direction. I applaud the gentleman from Connecticut [Mr. MORRISION], for bringing it to the floor today.

Much more must be done, but the road to acknowledging and meeting our responsibility to the oppressed of this world begins with an "aye" vote on this measure.

Mr. CARDIN. Madam Chairman, I rise today in support of H.R. 2022. In October 1988, the President authorized the admission of up to 18,000 Soviet refugees for fiscal year 1989. By December, it became apparent that these numbers would not be sufficient to meet the increasing number of people permitted to leave the Soviet Union. In response, the President raised the refugee allocation to 25,000. Despite these efforts, the backlog continued to soar at the U.S. Embassy in Moscow as well as at stopover points such as Rome, Italy.

By October 1988, Soviet Jews, Armenians, and Pentecostals began to be rejected for refugee status. This problem continued to escalate over the winter and spring and persists even now. Approximately 4,000 Soviets, the majority of them Jews, have been denied refugee status and remain in Rome. Another 5,000 have applications pending before our 3 INS officers, while more than 3,000 have not yet applied for immigration.

The change in administration policy is traced back to an August 1988 memo issued by then Attorney General Edwin Meese. The Attorney General asserted that the "current practices in processing Soviet emigrees appear not to conform with the requirements of the 1980 Refugee Act." U.S. policy toward those few emigrees permitted to leave the Soviet Union before Gorbachev opened the gates, received refugee status on an almost automatic basis. It is tragic that the administration changed its policy just as the Soviets changed their immigration policy. Thousands of Soviets who have waited many years to emigrate, must now face the prospect of waiting up to 2 or more additional years to leave.

U.S. policy has long been based on the presumption that Soviet Jews, were by definition, persecuted. Although the situation for Jews has improved under Gorbachev, there remains an institutionalized antisemitism. Groups like Pamyat have growing membership lists and continue to foment antisemitism. It is still against the law to teach Hebrew in the Soviet Union. While this and many other restrictions are not currently being enforced, we have no reason to believe that these changes will remain once Gorbachev is gone.

The bill currently before the House is a good first step toward improving the situation for Soviet Jews and Evangelical Christians. It requires that the administration return to its commitment of granting refugee status to certain individuals. It requires that the administration return to its policy of presuming that some individuals, by virtue of the fact that they belong to certain religious and ethnic groups, are subject to persecution.

The bill also adjusts to refugee status nationals of Vietnam, Laos, or Cambodia and Soviets who have been denied refugee status between August 1988 and September 1989 or who were paroled into the United States.

This legislation is needed to force the administration to return to its presumption of refugee status. We have spent far too much time telling emigrees you can go, but you cannot come. It is far too long to tell Soviet citizens who have been waiting many years that they must wait longer. And it is far too difficult to accept that the United States, whose President, Secretary of State, and Members of Congress year after year urged the Soviets to open the gates of emigration, has suddenly lost the key to the gates of American freedom.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the bill is considered under the 5-minute rule by sections, and each section shall be considered as having been read.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CATEGORIES OF NATIONALS OF THE SOVIET UNION AND NATIONALS OF INDOCHINA PRESUMED SUBJECT TO PERSECUTION

(a) PRESUMPTION OF PERSECUTION FOR ALIENS WITHIN CATEGORIES.—Any alien who is within a category established under subsection (b), and alleges that the alien is the subject of persecution (as defined in subsection (e)) shall be treated, for purposes of admission as a refugee under section 207 of the Immigration and Nationally Act, as subject to persecution without the need to provide independent or additional evidence regarding persecution.

(b) ESTABLISHMENT OF CATEGORIES.—(1) For purposes of section 207 of the Immigration and Nationality Act, the Attorney General, in consultation with the Secretary of State and the Coordinator for Refugee Affairs, shall establish—

(A) one or more categories of aliens who are or were nationals and residents of the Soviet Union and who share common characteristics that identify them as targets of persecution in the Soviet Union, and

(B) one of more categories of aliens who are or were nationals and residents of Vietnam, Laos, or Cambodia and who share common characteristics that identify them as targets of persecution in such respective foreign state.

(2) Aliens who are (or were) nationals and residents of the Soviet Union and who are Jews or Evangelical Christians shall be deemed a category of alien established under paragraph (1)(A).

(c) PERIOD OF APPLICATION.—This section shall only apply to admissions of refugees under section 207b of the Immigration and National Act during the period beginning on the date of the enactment of this Act and ending on September 30, 1990.

(d) TREATMENT OF CERTAIN ALIENS.—The Attorney General shall provide an opportunity for aliens described in subsection (b) who, during the period beginning on August 15, 1988, and ending on the date of the enactment of this Act, sought, but were denied, refugee status, to reapply for such status, taking into account the application of this section.

(e) PERSECUTION DEFINED.—In this section, the term "persecution" refers, with respect to an alien, or a well-founded fear of persecution of the alien, on account of race, religion, nationality, membership in a particular social group, or political opinion.

The CHAIRMAN. Are there any amendments to section 1?

AMENDMENT OFFERED BY MR. SOLARZ

Mr. SOLARZ. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SOLARZ: Page 3, line 13, insert "(A)" after "(2)".

Page 3, after line 16, insert the following new subparagraph:

(B) Aliens who are (or were) nationals and residents of Vietnam, Laos, or Cambodia and who are members of categories of individuals determined, by the Attorney General in accordance with the "Immigration and Naturalization Service Worldwide Guidelines for Overseas Refugee Processing" (issued by the Immigration and Naturalization Service in August 1983) to be presumed to be targets of persecution in Vietnam, Laos, or Cambodia shall be deemed a category of alien established under paragraph (1)(B).

Mr. SOLARZ. Madam Chairman, I offer this amendment in behalf of the gentleman from Massachusetts [Mr. ATKINS] and myself. I do not believe it should be very controversial. I think it is acceptable to the leadership of the committee.

Essentially it is designed to establish categories of Indochinese aliens who are presumed to be targets of persecution and is analogous to the provisions in the bill regarding Soviet Jews and Evangelicals. In fact, what the amendment seeks to do is to take the categories that were set forth in the guidelines for Indochinese refugee processing issued by the Immigration and Naturalization Service a few years ago and put them into law. They include 24 categories of Vietnamese, Laotians, and Cambodians who have a real reason to fear persecution in the countries from which they come. It includes such categories as reeducation camp prisoners, former employees of the governments of those countries that were associated with us, ethnic Chinese, Buddhist monks, and others, all of whom have been systematically persecuted and discriminated against over the course of the last 14 years in Indochina.

Over the past several months, there has been a precipitous decline in the number of Indochinese whose applications for refugee status have been approved by INS. The purpose of this amendment is to put into law the very strong presumption that if one fits into one of these categories which were devised by the INS itself, he or she is entitled to refugee status.

Mr. BROOKS. Madam Chairman, will the gentleman yield?

Mr. SOLARZ. I am happy to yield to the gentleman from Texas.

Mr. BROOKS. Madam Chairman, I know that the administration has been using presumptions of refugee status since 1983 for 24 different groups of Indochinese refugees as the gentleman pointed out, and these presumptions have been used in the Immigration and Naturalization Service regulations.

I do not see any objection to the inclusion of these presumptions in the law.

Mr. SOLARZ. I thank the chairman, very much for his observations.

Mr. MORRISON of Connecticut. Madam Chairman, will the gentleman yield?

Mr. SOLARZ. I am happy to yield to the gentleman from Connecticut.

Mr. MORRISON of Connecticut. Madam Chairman, I thank the gentleman for his contribution in this regard and his close work with me and with other members of the subcommittee and on the committee, and to say that we held a hearing on the question of what was going on in particular in

Vietnam and, in that hearing, elicited testimony explicitly that these categories are in effect and are to be used.

I can see absolutely no reason why this amendment would do any harm and, in fact, it supports the very process that is going forward.

I commend the gentleman on his amendment.

Mr. SOLARZ. Madam Chairman, I thank the gentleman very much for his comments. His leadership on this issue is greatly appreciated. He, more so than almost anybody else in the last year, has helped to redeem the honor of this Nation as we deal with the problem of refugees from Southeast Asia. I greatly appreciate his willingness to express support for the amendment.

Madam Chairman, I yield back the balance of my time.

Mr. SMITH of Texas. Madam Chairman, I rise in opposition to the amendment.

Madam Chairman, In my opening statement, I said H.R. 2022 would set a dangerous precedent.

If adopted it could eventually set off an avalanche of legislation to grant special, preferential refugee and immigration status to select groups. That in turn would demolish the framework established by the 1980 Refugee Act to handle refugee applications in a consistent, even-handed manner.

With the offering of this amendment, I think I hear the first rumblings of that avalanche.

I am sympathetic to the intent of the amendment offered by my colleague.

And if the House is going to change the rules and set itself up as an arbiter of which categories of refugees are to be given preference this year, then my colleague is only to be commended for his initiative.

I rise then in opposition not to the particular merits of the amendment but rather to the idea that the House should be making these kinds of decisions through legislation.

The House is ill-equipped to administer this Nation's refugee program.

The 1980 Refugee Act is the appropriate framework within which consistent, even-handed administration of those policies can and should be carried out.

But once this House changes the rules and the avalanche of legislation starts to move, it will be difficult if not impossible to stop its rush. This precedent's potential for wreaking havoc on our refugee policy seems unbounded.

I would anticipate that there would not be a single group in the special refugee categories that would not come forward with evidence of greater need and unconscionable administrative backlogs in the processing of applications for their group.

Is the House going to take over the administration of the Nation's refugee program?

This amendment and H.R. 2022 propose to do just that.

They would set the clear precedent that if any group is either unhappy with the administration of the current law or seeks to gain additional advantage under the law, they need only come to the House.

It is difficult to imagine a group that would not understandably try.

The House will face serious problems when it has to confront the physical impossibility of being able to move everyone to the head of the line.

Madam Chairwoman, I oppose the amendment and urge my colleagues to do the same.

Mr. BALLENGER. Madam Chairman, will the gentleman yield?

Mr. SMITH of Texas. I am happy to yield to the gentleman from North Carolina.

Mr BALLENGER. Madam Chairman, would the gentleman from Texas say that this thought might apply to the 150,000 Nicaraguans who live in Miami illegally and have not been included in this? Would they not possibly be one of the next ones to bring along?

Mr. SMITH of Texas. I would say to my colleague, the gentleman from North Carolina, that he is exactly right. We have untold numbers of groups that could try to gain admission to the United States because of the precedent we are setting today. That is the reason this is a dangerous precedent. We are opening up the floodgates. We are saying basically that whoever gets in line and whoever finds a political champion or whoever has enough political influence, that they can perhaps get special attention, get special preference. That is not fair to the rest of the immigrants.

Mr. BALLENGER. Would it not also apply even more so in the fact that there are large groups of people to the south of us who can walk across the border? In Brownsville, TX, there are camps in Brownsville, TX, at the present time that look like prison camps that are maintaining people that I guess are on the parole system, but eventually should be approached to have them brought in under the same rules that they are speaking of.

□ 1620

Mr. SMITH of Texas. Madam Chairman, as I pointed out, today there are brothers and sisters of Hispanics in the United States and Central and South America, there are black Africans, there are many kinds of groups who are going to be discriminated against by letting one special group get to the head of the line. We need to treat everyone equally. That is the basis of the current refugee policy, that is the basis of any law we should pass here in the House.

Mr. MORRISON of Connecticut. Madam Chairman, will the gentleman yield?

Mr. SMITH of Texas. I yield to the gentleman from Connecticut.

Mr. MORRISON of Connecticut. Mr. Chairman, does the gentleman from North Carolina [Mr. BALLENGER] recognize in order to gain admission to the United States as a refugee, the President has to allocate specific numbers to that nationality, and that this legislation does absolutely nothing in terms of changing the numbers which will be admitted to the United States, and the country about which the gentleman spoke has an allocation of 3,500 for Central America. Nothing in this legislation has any effect on how many numbers shall be authorized to come in. So I think the gentleman's concerns are unfounded.

Mr. BALLENGER. If the gentleman from Texas will yield, would it not be possible then for an amendment to be put in to accept the Nicaraguan groups that have already come here to the present time because of the repression and the jailing and the beatings and so forth that are going on in that country?

Mr. MORRISON of Connecticut. If the gentleman will yield, I suggest the gentleman will have an opportunity in short order to vote on a piece of legislation sponsored by the chairman of the Rules Committee, the gentleman from Massachusetts [Mr. MOAKLEY], which the subcommittee of which I am the chairman has already reported to the full Committee on the Judiciary, and when that bill comes to the floor it will provide an opportunity for those individuals to gain a status in the United States, and come out of the shadows, and no longer be in illegal status. But it is a temporary status in the hopes that things will change in Central America and those individuals will have a chance to go home, and I hope we will have the gentleman's support when that measure comes to the floor.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. SOLARZ].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. LIPINSKI

Mr. LIPINSKI. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LIPINSKI: Page 3, line 13, insert "(A)" after "(2)".

Page 3, after line 16, insert the following new subparagraph:

(B) Aliens who—

(i) are (or were) nationals and residents of the Soviet Union, and

(ii) are current members of, and demonstrate public, active, and continuous participation (or attempted participation) in the religious activities of, the Ukranian Catholic Church or the Ukranian Orthodox Church,

shall be deemed a category of alien established under paragraph (1)(A).

Mr. LIPINSKI. Madam Chairman, along with my colleague from California, I rise to offer an amendment to H.R. 2022, the bill to establish categories of nationals from the Soviet Union and Indochina presumed to be subject to persecution and to provide refugee status to certain Soviet and Indochinese parolees.

I am a cosponsor of H.R. 2022, a necessary and important piece of legislation that will end the period of limbo for 4,000 Soviet emigres stranded in Italy because of August 1988 changes in United States immigration policy.

The Lipinski-Cox amendment will add Ukrainian Orthodox and Ukrainian Catholics to the list of Soviet Nationals who are presumed persecuted in the Soviet Union. As confirmed by the State Department, Soviet dissidents, and private organizations, the Ukrainian Catholic and Ukrainian Orthodox Churches remain the most severely persecuted religions in the Soviet Union. In fact, they are the only two churches in the U.S.S.R. still outlawed, or unrecognized by the government.

Granting refugee status to Ukrainian Catholics and Ukrainian Orthodox on the grounds that they are persecuted in the Soviet Union is completely consistent with my Millenium of Christianity Resolution which Congress passed last year. Pubic Law 100-305 states that Congress deplores the Soviet Union's active persecution of religious believers in the Ukraine, as well as the forcible liquidation of the Ukrainian Orthodox and Catholic Churches. Congress made that strong statement just over a year ago, and I feel it is necessary and consistent to include there Ukrainian groups in this immigration bill.

Passing H.R. 2022 without including Ukrainian Orthodox and Catholics would send the wrong signal to Soviet authorities, that the United States no longer places a high priority on ending Soviet human rights violations against the Ukrainians.

Things certainly have been changing in the Soviet Union, but unfortunately the benefits of glasnost and liberalization under Gorbachev have not translated into new freedom for Ukrainian Catholics and Orthodox. While the Russian Orthodox Church has been recognized by the Soviet Government, this act is mere window dressing. The fact is the Russian Orthodox Church and the Government is attempting to assimilate the Ukrainian Orthodox Church, disallowing religious freedom for worshipers in the Ukraine. The forceful liquidation of the Church in the Ukraine is alive and well. In the last few years, over 150 churches in the Ukraine had been closed or destroyed. We must make it clear to the Soviets that new freedom and liberalization in the Soviet Union must include all Soviet peoples and all denominations.

I would like to thank my colleague Mr. MORRISON, author of the bill and chairman of the Subcommittee on Immigration, Refugees, and International Law, who has been instrumental in finding the form for this important amendment. The amendment includes appropriate provisions against a blanket qualification for all Ukrainians. I am grateful for his help and support.

In the Senate version of the bill, Senator LAUTENBERG has included Ukrainian Orthodox and Catholics in the category of persecuted peoples of the Soviet Union, so the language will likely come in conference.

In short, the amendment is an opportunity for the United States to maintain our consistent policy of recognizing and opposing religious suppression and human rights violations in the Soviet Union and throughout the world. I urge my colleagues on both sides of the aisle to support this logical and important amendment.

Mr. COX. Madam Chairman, I rise in support and as a cosponsor with the gentleman from Illinois of the Lipinski-Cox amendment.

Madam Chairman, I appeal even to those who oppose H.R. 2022 to consider favorably this amendment. There is nothing more insidious than government persecution of an individual because of his or her religion. State-sponsored atheism is every bit as ugly as state-sponsored racism.

I recognize the good faith arguments of those particularly on this side of the aisle who are concerned about some of the ramifications of H.R. 2022, but if we are going to have this bill it would be a grave mistake to except out the two institutions, the two official churches in the Soviet Union which are made illegal.

This bill, were it to pass in its present form, would exclude from its provisions members of the Ukrainian Catholic Church and members of the Ukrainian Orthodox Church. The fact is that dating even from the earliest days of Stalin's bloody reign over the Ukraine, the Communist Party of the Soviet Union has sought to erode religion in general, and the two Ukrainian Christian churches in particular.

Unfortunately, glasnost and perestroika have not brought about an end to this official policy of state discrimination against religion. In its tenacious and occasionally extemely brutal attack on Ukrainian nationalism and Christianity, no institutions have suffered more than the Ukrainian Catholic Church and the Ukrainian Orthodox Church.

□ 1630

Commanding the unwavering faith of millions in the Ukraine, these two churches, the priesthood and membership alike have been systematically repressed by Soviet rule. Yet despite the unyielding brutality in the Soviet regime, both churches have succeeded in upholding the faith of their forefathers in the catacombs.

According to the editor of the independent paper Glasnost, who was recently with us here in Washington, Sergei Grigoryants:

> The situation in the Ukraine is extremely difficult. The Ukrainians are the most repressed people in the Soviet Union with the possible exception of those in the Caucasus. The Ukrainians are the largest ethnic group in the Soviet Union (other than the Russians). . . . The Ukrainian Catholic Church expresses the feeling of the Ukrainian people better than anyone else. The Ukrainian Catholic Church is perhaps the most undiluted, pure and energetic group in the Ukraine.

At a press conference held under the auspices of the Helsinki Commission on June 20, 1989, in the Rayburn House Office Building, Mr. Grigoryants stated that Ukrainian churches now being reopened are being handed over to the Russian Orthodox Church, to prevent the expected powerful resurgence of Ukrainian nationalism.

Bishop Pavlo Vasylk of the Ukrainian Catholic Church held a press conference in Moscow early this year. He also stated that despite glasnost, the situation of Ukrainian believers has worsened. As one example of this, Bishop Vasylk cited the case of Father Mykhailo Voloshyn—who celebrated a memorial service with a Ukrainian Orthodox priest in the west Ukrainian city of Lvov, in February 1989. After the celebration, the two priests told the congregation of about 30,000 believers that the Soviet authorities prevent the Ukrainian Catholics and Orthodox from living together in peace. For this statement, Father Voloshyn was assigned to a 6-month army detail.

These and many other documented cases prove that regardless of glasnost, Ukrainian faithfuls of both churches are systematically harassed and presecuted by the Soviet regime. The fact that both the Ukrainian Catholic and the Ukrainian orthodox churches remain the only two churches still illegal in the Soviet Union, requires that if we are today to consider passing H.R. 2022, at the very least their followers be on the list of those presecuted in the Soviet Union. In fact, they are the most presecuted.

So, Madam Chairman, so long as believers of these two Ukrainian churches are actively presecuted and continually victimized by job discrimination, arbitrary arrests and house searches for religious literature, they deserve our utmost sympathy and assistance.

Based on the overwhelming evidence and my sense of fairness, I implore my colleagues to support the Lipinski amendment.

Mr. FRANK. Madam Chairman, I move to strike the last word.

Madam Chairman, I want to express my appreciation to the gentleman from Illinois for his amendment, which I fully support, and also the chairman of the subcommittee and of the full Committee on Immigration in the Committee on the Judiciary for bringing this bill forward. All of us whish no such bill was necessary. If the administration had been applying the law in an evenhanded fashion, it would not have been.

Shockingly to me, sometime last year the administration, the previous administration, began substantially to diminish the number of Soviet individuals who were being persecuted in the Soviet Union who were being allowed into the United States.

Earlier this year we found ourselves in the appalling situation whereby the Soviet Union was willing to let out more of those it had persecuted than we were willing to let in. A good deal has been done to alleviate that. A number of Members on all sides have worked on that; the gentleman from New York from the Committee on Foreign Affairs, who sits on the Republican side, and the gentleman from California here, and a number of others.

The chairman of the Subcommittee on Immigration has taken the lead in forging a policy whereby this Congress has effectively been able to bring some pressure to bear to get the administration to reverse that policy.

With his support, the support of the chairman of the full Committee on the Judiciary, we are at this point.

Again I would repeat none of us think that the ideal way to legislate is for Congress to deal category by category with groups of potential refugees. But it was a series of failures on the part of the administration and some unfortunate politicization that occurred there first which led us to this point.

We now have a bill with broad bipartisan support which seems to me to effectively accomplish what ought to be accomplished.

The current administration has already begun to change the policies that it had inherited and that were causing the damage, and I hope that we will soon again be at the point where our historical, traditional role as a beacon of democracy and as a welcomer of the oppressed will be vindicated.

This bill will help and this amendment broadening its scope is an important part of making sure that that happens.

Mr. SMITH of Texas. Madam Chairmam, I move to strike the requisite number of words and I rise in opposition to the amendment.

My opposition to this amendment and the other amendment today is generic. It does not matter what group we are talking about, it does not matter what part of the world they come from, what is wrong with the fundamental principle of treating all immigrants equally? If we admit one group, where does it end? Why should we say one thing to one group and another thing to other groups? What about Hispanics in Central and South America, what about blacks in Africa, why are they not a part of these amendments, not a part of this bill today?

Apparently we are saying that the line forms at the door. If you have a political champion, if you are a part of a politically influential group, you can get to the head of the line, you can step around the others. No more do we have an evenhanded approach that is applied equally.

We have an approach that is applied to an entire group or a class for a given preference. I find it interesting that today during the discussion of H.R. 2022, discussion of the last two amendments, no figures and no numbers have been mentioned.

The State Department estimates with regard to this last amendment it will affect over 100,000 individuals who would be admitted to the United States. H.R. 2022 may affect several hundred thousand who would be admitted to the United States.

In my judgment, this amendment to H.R. 2022, without knowing what numbers we are talking about, makes signing a blank check look like an exercise in fiscal responsibility.

Mr. HENRY. Madam Chairman, I move to strike the last word and I rise in support of the amendment.

I would simply like to make a very simple observation. Last year over half the Members of the House cosigned a letter which was signed by the Speaker, the majority leader, the minority leader, and the overwhelming majority of this House to Secretary-General of the Soviet Union dealing with the problem of religious persecution in that nation. We detailed about 15 different ways in which religious persecution demonstrates itself in that country; problems with education, jobs, housing, religious materials publishing, importation of religious materials, inability to register a church and subsequently arrest for participating in a religious observance after the religious activity because it is unregistered because it could not get registered, and so forth.

In many of these areas the Soviet Union has recently made some tremendous strides. There have been strides in terms of the importation of religious materials; there has been forward movement in terms of allowing even limited publication domestically of religious materials; there has been tremendous improvement in terms of religious practices in the Jewish community as well as Jewish emigration patterns; there has been improvement in terms of Baptists and Evangelicals being allowed to establish their own seminary and publish their own literature. But the largest ethnic and religious group that has received absolutely no relief in the current situation happens to be the Ukrainian Catholic Church and the Ukrainian Orthodox Church. If there is to be any group singled out for special concern and our awareness, it is that group which this amendment represents, and I support the amendment.

Mr. BROOKS. Madam Chairman, I move to strike the requisite number of words and rise in support of the amendment. I say that is well recognized that the members of the Ukrainian Catholics and Ukrainian Orthodox Churches have suffered lots of persecution for a long time. The Ukrainian Catholic Church was outlawed in 1946. The Ukrainian Orthodox Church was banned in 1933 by the Soviet Government.

Madam Chairman, I support the inclusion of these two groups as worthy to be included in the provisions of refugees under H.R. 2022.

Mr. GILMAN. Madam Chairman, I move to strike the last word.

Madam Chairman, I am pleased to rise in strong support of the pending Lipinski amendment on behalf fo the Ukrainian Catholic people. No single group other than the Russian people has been as widely repressed and persecuted as the Ukrainian nation.

Including members of the Ukrainian Catholic and Orthodox Churches as those presumed to be eligible for refugee status is a logical extension of our foreign and human rights policy, and large adoption of the amendment.

Mr. WOLPE. Madam Chairman, I rise in strong support of H.R. 2022, legislation to restore the presumption of refugee status to Soviet Jews and other persecuted minorities.

There are few issues that have so united Democrats and Republicans, and successive Congresses and Presidents; over the past two decades as freedom for Soviet Jewry. From the moment of the modern awakening of the consciousness, identity, and surge for freedom among Soviet Jews—in the wake of Israel's miraculous victory in the 1967 6-day war—the American people and the United States Government have stood with them; and spoken with one voice, to echo their demands for freedom from persecution and the right, if they so chose, to emigrate wherever destiny might lead them. Our solidarity with Soviet Jewry—and, by extension, with all ethnic and religious minorities who have been systematically persecuted by the Soviet Government—has served as a beacon of hope and solace for them, from the streets of Moscow to the furthest reaches of the gulag.

For two decades, Soviet Jews have known that if they could get out, they would find refuge in Israel or the United States. This has been the bedrock of American policy—in both

the worst of times, such as the past decade when only pitiful handfuls were permitted to leave, and in better times, such as 1979 when 50,000 emigrated. In 1988, the number of Soviet Jews permitted to leave climbed back up to 10,000 and this year over 40,000 are expected to leave.

Our Government consistently kept faith with its commitment to Soviet Jewry. But in October 1988, then-Attorney General Edwin Meese changed the rules. Rather than uphold the blanket presumption that Soviet Jews automatically enjoyed the refugee status under our immigration laws, the Attorney General decided that sanctuary would only be extended to them on a case-by-case basis. The emigres would have to prove, individually, that they would be persecuted if they returned to Russia.

The Attorney General's action was Shocking and insensitive. President Gorbachev's policies of glasnost and perestroika are indeed promising, and they hold a measure of hope for better treatment of Soviet Jewry. But the reforms in Soviet policies toward religious minorities, including Jews, are rhetorical and atmospheric. They have not been written into Soviet law. The exercise of full religious rights are not protected by statute. Jews are differentiated as a class, separate from regular citizens in official state identification and control documents. The Soviet Union is marked by a bitter and intense legacy of anti-Semitism—one that has yet to be redeemed.

Only the United States has the power and influence with the Soviet Union to stand for freedom and human rights for Soviet Jews and other minorities, and to make a difference on their behalf. It is a sad and bitter irony that, at the very moment our steadfast policy is exacting a degree of success, we are closing the doors on the peoples whose cause we have championed. The Meese policy has had a predictable, and cruel, effect: A backlog of over 12,000 Soviet Jewish refugees in Italy. These numbers will swell further unless we restore our previous policy toward them and other Soviet ethnic and religious minorities.

Madam Chairman, H.R. 2022 repeals the Meese policy, and brings our immigration procedures for Soviet Jews and other persecuted minorities in consonance with our beliefs. I also note that this legislation contains a sunset provision of September 30, 1990, permitting a thorough review of these matters next year as circumstances warrant. But, in the meantime, a shameful retreat from our solidarity with Soviet Jewry will be reversed. I urge support for H.R. 2022.

Robert Greenberger of the Wall Street Journal recently reported on the Soviet refugee backlog in Ladispoli, Italy. I commend his superb account to my colleagues.

[From the Wall Street Journal, June 23, 1989]

BETWEEN WORLDS: NOW THAT SOVIET JEWS ARE FREER TO EMIGRATE, U.S. IS LESS HOSPITABLE

(By Robert S. Greenberger)

LADISPOLI, ITALY—To thousands of Soviet Jews stranded in this sunny Mediterranean resort, life is a paradox.

So long as the Soviet government refused to let them leave the U.S.S.R., or jailed them for asking to go, or kept them waiting years for a visa, the U.S. government considered them persecuted. It automatically offered refugee status—and a ticket to America—to the few who trickled out.

But last spring, the Soviets suddenly began issuing emigration permits by the thousand. And there's the catch. If so many Jews are being allowed to leave, then they aren't necessarily persecuted, the U.S. government has declared—and they aren't necessarily eligible to enter the U.S. as refugees.

"The American government fought for us to leave," says Boris Levin, who arrived here in Ladispoli from Moscow in March. "It's very difficult for us to understand why America is now rejecting us."

To U.S. policy makers the tide of Soviet Jews is becoming an unmanageable and embarrassing problem, and one that probably will get worse. This year, about 54,000 Jews are expected to leave the Soviet Union, and Alan Nelson, commissioner of the Immigration and Naturalization Service, says that the potential pool of Soviet refugees exceeds six million-including three million Armenians, 2½ million Jews and 800,000 Pentecostals.

DEMOGRAPHIC FEARS

While the U.S. is increasingly wary of a flood of Soviets, Israel is eager for it—and annoyed with the U.S. for not helping direct Soviet Jews to Israel. Israel is fearful that the explosive birthrates of Arabs under its governance will result in a Jewish homeland with a Jewish minority by early in the next century. They see the Russian Jews in the Soviet Union as the answer to their demographic fears.

So the Israelis are pressing the U.S. to funnel Soviet Jews to Israel by, among other means, calling for more-direct flights from Moscow to Israel. Currently, the Soviet airline deposits them in Austria, and most move on to Italy for U.S. processing.) Israeli Prime Minister Yitzhak Shamir raised the issue on two recent trips to Washington. He even suggested to Secretary of State James Baker that those Russian Jews cleared to leave the Soviet Union wait in Moscow rather than in Italy.

The U.S. turned down that proposal and others, delcaring that it believes in "freedom of choice" for the emigrants. But nobody is more opposed to the idea of depositing the Soviet Jews in Israel than the Soviet Jews themselves are. Fewer than 10% of those who leave Russia want to go to Israel, which offers immediate citizenship to all Jews. An earlier generation of Refuseniks wore their Zionism on their sleeves, but today's appear to have an essentially negative view of the Jewish state.

QUALMS ABOUT ISRAEL

Many have been influenced by official anti-Israel propaganda, or they have been put off by the Israel-Palestinian hostilities, or they are just tired of the burdens of being "Jewish." The word, which is stamped in their Soviet passports under "nationality," limits their opportunities. Victor Kurashov, a 19-year-old who left his home in Kharkov in the Ukraine, says, "Some of us feel that Israel isn't a very democratic country. Many of us don't want to take part in the violence."

So nearly 10,000 Jews like Mr. Kurashov are in limbo in Ladispoli, which was chosen as an international way station because, when the immigrant flood began, living costs here were reasonably low. With nothing to do but wait, the arrivals have converted the movie theater by the boardwalk to a synagogue and have taken over a nearby park, where they sell one another cigarettes and socialize.

About 2,000 people already have been rejected for refugee status. One of them, Leonid Livshits, is a lanky 23-year-old Muscovite who left Russia in January with his wife and son, as well as with the older brother, Alexander, and Alexander's family.

EVIDENCE OF PERSECUTION

Mr. Livshits contends that his affidavit of persecution is the three-inch scar on his scalp he got several years ago when he was beaten by thugs because "I had a Jewish face." Last June, he says, following several threatening letters in which he and his family were told that "Russia is for Russians, not Jews," their weekend cottage outside Moscow was burned to the ground. That was when they decided to get out.

In March, the INS rejected Mr. Livshits's application to enter the U.S. as a refugee; in April, it granted his brother's. Like most other Soviet Jews here, Mr. Livshits has appealed the adverse decision. He won't be sent back to Russia, but his appeal could take months to resolve.

"The Americans used to confront the Soviets with a list of 35 families [separated] by Russian emigration policy. Now, the INS is dividing families," complains Leonid Raytburg, a long-haired 23-year-old from Leningrad who is the leader of the "Committee of Refuseniks" that has formed here.

Until former Attorney General Edwin Meese tightened the immigration guidelines in the last days of his tenure, Soviet Jews who managed to get emigrant visas could expect to be declared, refugees and be welcomed to America with government resettlement benefits of up to $5,000 a year.

But the immigraion service will take just 116,500 refugees this year (plus another 600,000 nonrefugee immigrants), and the Soviets are competing for those slots with Asians, Hispanics and others. "We can't solve the problems of Soviet refugees in a way that ravages our efforts in other parts of the globe," says Jonathan Moore, who until recently was the State Department's ambassador for refugee affairs.

WHAT'S IN IT FOR ITALY?

Meanwhile, tensions are growing here in Ladispoli, a blue-collar resort 22 miles from Rome that was fashionable during the reign of Mussolini. Crescenzio Paliotta, a doctor who is Ladispoli's part-time deputy mayor, complains that just a few residents benefit from the growing number of Soviet Jews. "The Russians buy only in shops where things are cheap. And only a few people are making the money on apartment rentals," he says. "Meanwhile, everybody else suffers from the overcrowding. The people say, 2,000—that's OK. But 6,000—that's too much."

Last winter, swastikas were spray-painted on some walls. Then, black and yellow posters appeared, noting pointedly that Ladispoli had 16,000 permanent residents and 8,000 stranieri, or strangers. Enough! the posters declared. More recently, emigres were ejected from the Piazza Della Vittoria, the main square, where they had congregated to swap rumors. Now, they meet at an education center, and gaze longingly at a New York City subway map on the wall.

"The Italians think we are garbage," complains Helena Malin, a pediatrician who left Leningrad last April with five members of her family.

Ladispoli's hoteliers profited nicely during the winter the Soviet influx began: Dr. Malin's family paid $700 a month for two

rooms. But now that the summer season has began, the Malins' landlord wants $1,000 a month—the Malins' total monthly stipend from the American Jewish Joint Distribution Committee, a private U.S. group that aids Soviet Jews until they are settled.

SUBSISTING ON OFFAL

To pay for food and other necessities, Dr. Malin works 16 hours a week at odd jobs for about $32. In Russia, she never saw anything like the plentiful fruit and vegetables available in the markets here. But she can't afford much of that. She buys potatoes and tomatoes and watches the butcher shops for "farsh," ground animal organs, which Italians disdain.

The first signs of a major loosening of Soviet emigration policy appeared last spring when an unusually large number of educated, relatively affluent Americans began getting permits to leave. Soon, the Armenians were joined by increasing numbers of Jews.

Last summer, Mr. Meese ordered immigration officials to stop granting refugee status automatically to people leaving the Soviet Union—and instead to require that each individual prove he merited it as a persecuted person under the 1980 refugee law. Officials didn't want to give preference to Soviet Jews over others seeking the same status. And they were concerned about the potentially enormous cost of accepting unprecedented numbers of Soviet emigres. The State Department estimated recently that every 10,000 persons admitted as refugees cost the U.S. $70 million.

At the same time, Mr. Meese said he would use his statutory authority to admit additional Soviet Jews as regular immigrants. But that wouldn't include resettlement benefits or a fast track to U.S. citizenship. And entrants would have to find a U.S. sponsor to guarantee their medical expenses and such. One INS official estimates that about half the Soviet migrants would have trouble finding sponsors under the new rules.

POLICY CONTRADICTION?

On Capitol Hill, some legislators are furious over the policy change inherited by the Bush administration. "The President calls on the Soviets to open up emigration. At the same time, his administration makes it impossible for Soviet Jews to be processed expeditiously and fairly into the U.S.," complains Rep. Bruce Morrison (D., Conn.).

President Bush has offered an emergency plan to allow an extra 30,000 immigrants a year to enter the U.S. for the next five years. But not all of the new slots would be for Soviet Jews, and they wouldn't confer the benefits of refugee status.

Moreover, the administration is considering a new policy discouraging entry of anyone with a firm offer to settle in another country and with no family ties in the U.S. That would sharply curb the number of Soviet Jews who could come here, and would touch off an imbroglio in Congress.

The immigration dilemma poses a delicate problem to U.S. Jews. The United Jewish Appeal recently undertook a $75 million campaign to supplement federal aid to the refugees—in the U.S. and here in Ladispoli. Privately, however, Israeli officials complain that such efforts discourage migration to Israel, and some U.S. Jews—including the Anti-Defamation League—now are trying to persuade those leaving the Soviet Union to head for Israel.

A group of New Jersey businessmen and rabbis are here visiting on just such a mission. Over lunch, each makes a strong pitch for Israel to a table of Soviet Jews. "Probably about one-third of you would be better off in Israel," one businessman argues.

But the Soviets aren't buying. Israel's climate is too hot, says one. Its people are too religious, complains another. Hebrew is too hard to learn, says a third. A fourth young man feels the streets of Israel are unsafe. He wants to settle in Detroit.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. LIPINSKI].

The amendment was agreed to.

Ms. PELOSI. Madam Chairman, I move to strike the requisite number of words for the purpose of engaging in a colloquy with the chairman, the gentleman from Connecticut [Mr. MORRISON].

□ 1640

I hoped to offer my bill, H.R. 2712, the Emergency Chinese Adjustment Status Facilitation Act, as an amendment to this measure today, but the amendment was ruled nongermane by the Parliamentarian's Office. For this reason, I will not offer it today.

However, it was my understanding that the Subcommittee on Immigration, Refugees and International Law will hold a hearing, followed immediately by a markup of H.R. 2712 on Thursday, July 20. I also understand that the chairman who worked during H.R. 2712 will bring this to the floor for consideration before the August recess.

This is the gentleman's understanding?

Mr. MORRISON of Connecticut. First let me thank the gentlewoman for her cooperation during the consideration of this bill and her support for it, and her discussions with me and with others about the best way to respond to what we all understand to be a pressing need, the status of Chinese nationals, especially Chinese students who are here in the United States following the disaster that occurred in China, with the killing of so many brave students standing up democracy.

I want to commend the gentlewoman for her leadership and for her filing of a bill that I think presents a vehicle through which we can both benefit: Benefit to those students, benefit the United States, and also send a clear message to the Chinese Government that we will not have their students used as pawns in their attempts to assert or reassert control and oppress people seeking democracy.

The gentlewoman's understanding is correct, the subcommittee scheduled a hearing and a markup on her legislation, as well as on another bill which will seek to regularize the temporary status that has been extended to Chinese nationals in the United States by the administration to try to give that a more complete legal framework so those individuals will not be in doubt about their rights while they remain in the United States temporarily, hoping for return to reform and movement toward democracy at home in China.

The gentlewoman can rely on the fact that we will have that hearing and markup the bill she has filed, and also working with the chairman of the full committee, the gentleman from Texas [Mr. BROOKS], try to move that legislation as expeditiously as possible to the floor. It is my understanding that the leadership is sympathetic to the consideration of this bill as it is reported by the Committee on the Judiciary under suspension, and I hope it would have the kind of support on both sides of the aisle that would make passage a matter to be considered under rules of suspension.

Ms. PELOSI. Madam Chairman, I yield to the gentleman from Oregon.

Mr. AUCOIN. Madam Chairman, I want to rise to compliment the gentlewoman for the leadership she has shown on the legislation she has introduced. She knows I am a strong supporter of it. I wish that it would have been possible for her to attach to the bill—to the amendment—today, but I am delighted to hear the news she got from the subcommittee chairman, leadership of the subcommittee. I want to state to my colleagues that the gentlewoman, I think is doing excellent work. I am delighted to join her in that legislation.

Ms. PELOSI. Madam Chairman, I yield to the gentlewoman from California.

Mrs. BOXER. Madam Chairman, I would like to tell the gentlewoman, once again she has moved swiftly on an urgent issue. It is such a privilege to work with her in this way to help the people in our area and all over the country who find they are harassed by the Chinese Government here in this country.

I want to thank the gentleman from Connecticut [Mr. MORRISON] for being so receptive to the gentlewoman's bill, and to say I look forward to working with both of them to make sure that the students and others who are in this country who so want and deserve freedom get it.

Ms. PELOSI. Madam Chairman, I thank the gentlewoman for her comments, and our colleague from Oregon [Mr. AUCOIN] for his comments and support. With their help we have received cosponsorship of over 200 of our colleagues on this legislation, and the number continues to grow.

I wish also to commend our colleague from Connecticut [Mr. MORRISON], and the chairman of the subcommittee for his commitment to the passage of this legislation and his commitment to provide protection for the Chinese students in the United States at this very, very sad time in their country's history.

AMENDMENT OFFERED BY MR. KLECZKA

Mr. KLECZKA. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KLECZKA:

Page 2, line 4, insert, ", POLAND," after "UNION"/

Page 3, line 7, strike "and".

Page 3, line 12, strike the period and insert ", and".

Page 3, after line 12, insert the following new subparagraph:

(C) one or more categories of aliens who are or were nationals of Poland and who share common characteristics that identify them as targets of persecution in Poland.

Mr. KLECZKA (during the reading). Madam Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KLECZKA. Madam Chairman, this amendment to H.R. 2022 would include language in the bill granting refugee status to those Polish immigrants in Europe who, if they return, would be targets of persecution in Poland.

Today there are almost 16,000 Polish expatriates in Western Europe waiting to emigrate to the United States as refugees. Most of these people were actively involved in the Solidarity movement.

I know of one young man, Mr. Jacek Klukowski, who has been in a refugee camp in Vienna for almost 1 year and still has not been interviewed by the Immigration and Naturalization Service. He lives with his wife, Dorota, and their son in a small, one-room apartment. He works as a printer's helper in a job he knows well, after having been deeply involved in printing and distributing Solidarity literature while in Poland.

In Poland, Jacek worked as an electrician by day and a printer and runner for Solidarity by night. Jacek has been in a refugee camp for 11 months. As of July 5, there were 3,200 Poles ahead of his family waiting to obtain visas. This was the situation in just Vienna. To date, only 1,500 of these Poles have been interviewed by the INS.

Soviet Jews, Vietnamese protestors, Polish Solidarity activists, they all have one thing in common: They spoke out against their oppressive Communist government at great risk to themselves and their families. Freedom is valuable. Will they be forgiven? Will the slate be wiped clean, and will they be allowed to return to normal lives in Poland? The answer is a definite no.

In 1988, President Reagan signed an agreement establishing a ceiling of 6,500 refugee admissions for Eastern Europeans. With 3,200 in Vienna alone waiting for visas, Mr. Klukowski's and others in his similar situation find a very slim chance of being granted refugee status in the next year or two. By including Polish nationals, who are identified as targets of persecution, we are sending a uniform message to refugees around the world, to those who have the courage to speak out and ultimately leave their homeland for the betterment of their lives, the United States appreciates their struggle and is willing to help. We cannot and will not trust their Governments that have a history of oppression to treat their dissenters with new-found dignity and humanity, when we know that their not-so-distant past record proves otherwise.

With hope that the oppression in Poland and other Communist countries can come to an end, and with caution and fear for what Polish expatriates in Europe may endure upon their return to Poland, I offer this amendment to protect these citizens of Poland who are the backbone of the Solidarity movement.

Madam Chairman, I yield to the gentleman from Texas [Mr. BROOKS].

Mr. BROOKS. Madam Chairman, let me say to my distinguished friends of Polish ancestry that some 200 years ago my ancestors fought with the Polish generals who came to this country, helped them win our freedom, in the late 1700's. I think it is only fair that we give some of those brothers and sisters an opportunity to come here now and see no difficulty with that amendment. It will not increase the numbers, gives them category if they are in a classification that is now persecuted, then we will let them in on the same basis.

Mr. KLECZKA. Madam Chairman, I yield to the gentleman from Illinois [Mr. LIPINSKI].

Mr. LIPINSKI. Madam Chairman, I thank my colleague, the gentleman from Wisconsin [Mr. KLECZKA] for this outstanding amendment, and on behalf of the 175,000 people who reside in the Fifth Congressional District in Illinois of Polish-American heritage, I want to say that I support this amendment, and I certainly hope that it is passed today on the floor of the House of Representatives.

Mr. KLECZKA. Madam Chairman, let me also thank my friend and colleague from Illinois [Mr. LIPINSKI] for his support.

Mr. SMITH of Texas. Madam Chairman, I rise in opposition to the amendment. In regard to this amendment, and in regard to other amendments that we have considered here today, and in regard to H.R. 2022, I would ask my colleagues before they vote to consider several questions that have glaringly gone unanswered.

First, what is the cost of all these amendments? What is the cost of H.R. 2022? It is likely to be several billion dollars. Second, how many people are we talking about? How many immigrants? Again, we do not know, but we are probably talking about many hundreds of thousands of immigrants.

□ 1650

Third of all, when we let these classes of individuals or these groups of individuals, how are we going to keep the criminals and the thugs out? There is no way that I have heard of today we can do that.

Finally, there is the question, why should we treat one group of immigrants different than others? Why should we violate the fundamental principle that all Americans hold dear, that of equal treatment for all?

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. KLECKZA].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to section 1?

If not, the Clerk will designate section 2.

The text of section 2 is as follows:

SEC. 2. ADJUSTMENT OF STATUS FOR CERTAIN SOVIET AND INDOCHINESE PAROLEES.

(a) IN GENERAL.—The Attorney General shall provide for the adjustment of status of an alien who (A) was a national of the Soviet Union, Vietnam, Laos, or Cambodia, (B) was inspected and granted parole into the United States after being found ineligible for refugee status during the period beginning on August 15, 1988, and ending on September 30, 1989, and (C) is physically present in the United States, to the status of a refugee admitted under section 207 of the Immigration and Nationality Act, if the alien makes an application for such adjustment and if the alien (except as otherwise provided in paragraph (2)) is admissible as an immigrant under the Immigration and Nationality Act. Upon the approval of such an application for adjustment of status, the Attorney General shall create a record of the alien's admission as a refugee as of the date of the alien's inspection and parole.

(2) Section 207(c)(3) of the Immigration and Nationality Act shall apply to adjustment of status under paragraph (1) in the same manner as it applies to aliens seeking admission to the United States under section 207(c) of such Act.

(b) NO CHANGE IN REFUGEE ADMISSIONS.—Adjustments of status effected under this section shall not result in any decrease or otherwise affect the number of aliens who may be admitted as refugees under section 207 of the Immigration and Nationality Act for any fiscal year.

The CHAIRMAN. Are there any amendments to section 2?

Are there any additional amendments to the bill?

If not, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore. [Mr. MURTHA] having assumed the chair, Ms. KAPTUR, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2022) to estab-

lish certain categories of nationals of the Soviet Union and nationals of Indochina presumed to be subject to persecution and to provide for adjustment to refugee status of certain Soviet and Indochinese parolees, pursuant to House Resolution 195, she reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

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

Mr. MORRISON of Connecticut. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device and there were—yeas 358, nays 44, not voting 29, as follows:

[Roll No. 139]

YEAS—358

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Bartlett
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Bonior
Borski
Boucher
Boxer
Brennan
Brooks
Broomfield
Browder
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Byron
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clarke
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Conte
Conyers
Cooper
Costello
Coughlin
Cox
Coyne
Crockett
Darden
Davis
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Douglas
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Engel
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Flippo
Foglietta
Ford (MI)
Ford (TN)
Frank
Gallo
Garcia
Gaydos
Gejdenson
Gephardt
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Gordon
Goss
Gradison
Grandy
Grant
Gray
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Hertel
Hiler
Hoagland
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Inhofe
Jacobs
James
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Laughlin
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken, Thomas
Lukens, Donald
Machtley
Madigan
Manton
Markey
Martin (IL)
Martinez
Matsui
Mavroules
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McEwen
McGrath
McHugh
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nelson
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (UT)
Oxley
Pallone
Panetta
Parker
Pashayan
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Petri
Pickett
Pickle
Poshard
Price
Pursell
Rahall
Rangel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Roe
Rohrabacher
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Russo
Sabo
Saiki
Sangmeister
Sarpalius
Savage
Sawyer
Saxton
Scheuer
Schiff
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shays
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (VT)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stark
Stearns
Stokes
Studds
Sundquist
Swift
Synar
Tallon
Tanner
Tauke
Tauzin
Thomas (CA)
Thomas (GA)
Thomas (WY)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Walsh
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron

NAYS—44

Archer
Armey
Baker
Ballenger
Barton
Bateman
Callahan
Combest
Craig
Crane
Dannemeyer
Dickinson
Emerson
Fields
Gallegly
Gekas
Goodling
Hammerschmidt
Hancock
Hansen
Herger
Hutto
Ireland
Marlenee
Mazzoli
McCandless
McMillan (NC)
Miller (OH)
Montgomery
Myers
Packard
Patterson
Rogers
Roybal
Shumway
Shuster
Slaughter (VA)
Smith (MS)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Stenholm
Stump
Young (FL)

NOT VOTING—29

Bosco
Burton
Bustamante
Clay
Collins
Courter
DeLay
DeWine
Edwards (OK)
English
Florio
Frenzel
Frost
Gibbons
Hastert
Hyde
Lent
Martin (NY)
Murphy
Owens (NY)
Parris
Porter
Quillen
Ravenel
Robinson
Schaefer
Stangeland
Unsoeld
Young (AK)

□ 1712

So the bill was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read: "A bill to establish certain categories of nationals of the Soviet Union, nationals of Poland, and nationals of Indochina presumed to be subject to persecution and to provide for adjustment to refugee status of certain Soviet and Indochinese parolees."

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 2022, PROVIDING RELIEF FOR CERTAIN SOVIET AND INDOCHINESE REFUGEES

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 2022, the Clerk be instructed to make such clerical corrections in the designation of the provisions as may be appropriate to reflect the actions of the House in the passage of H.R. 2022.

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

There was no objection.

GENERAL LEAVE

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on H.R. 2022, the bill just passed.

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

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1549, NUCLEAR REGULATORY COMMISSION AUTHORIZATION ACT FOR FISCAL YEARS 1990 AND 1991

Ms. SLAUGHTER of New York, from the Committee on Rules, submitted a privileged report (Rept. No. 101-138) on the resolution (H. Res. 198) providing for the consideration of the bill (H.R. 1549) to authorize appropriations for the Nuclear Regulatory Commission for fiscal years 1990, and

1991, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1484, TO ESTABLISH A NATIONAL PARK SYSTEM REVIEW BOARD

Ms. SLAUGHTER of New York, from the Committee on Rules, submitted a privileged report (Rept. No. 101-139) on the resolution (H. Res. 199) providing for the consideration of the bill (H.R. 1484) to establish a National Park System Review Board, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 828, BUREAU OF LAND MANAGEMENT AUTHORIZATION, 1990, 1991, 1992, AND 1993

Ms. SLAUGHTER of New York, from the Committee on Rules, submitted a privileged report (Rept. No. 101-140) on the resolution (H. Res. 200) providing for the consideration of the bill (H.R. 828) to authorize appropriations for programs, functions, and activities of the Bureau of Land Management for fiscal years 1990, 1991, 1992, and 1993, which was referred to the House Calendar and ordered to be printed.

LEGISLATIVE PROGRAM

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

Mr. MICHEL. Mr. Speaker, I have asked for this time for the purpose of inquiring of the distinguished majority leader the program for next week.

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

Mr. MICHEL. I am happy to yield to my distinguished friend, the gentleman from Missouri.

Mr. GEPHARDT. Mr. Speaker, I would like to announce the program for the rest of the week and for next week.

When the House adjourns today, it will adjourn until Monday, July 17. On that day, the House will meet at noon. We will have the Consent Calendar.

We will have seven bills under Suspensions. Recorded votes on suspensions will be postponed until the end of the day, and we believe that will be on or around 5 p.m. in the afternoon.

The bills that we will consider are:

H.R. 1860, to provide that a Federal annuitant or former member of a uniformed service who returns to government service under a temporary appointment, to assist in carrying out the 1990 decennial census of population, be exempt from provisions of law relating to offsets from pay and other benefits;

H.R. 2802, miscellaneous Postal Service Amendments of 1989;

H.R. 2431, to redesignate the General Mail Facility in Midland, TX, "Carl O. Hyde General Mail Facility";

H.R. 2799, to amend the Agricultural Act of 1949 to allow the planting of alternate crops on permitted acreage for the 1990 crop year;

H.R. 875, Fredericksburg and Spotsylvania Battlefields Memorial National Military Park Expansion Act;

H.R. 919, Big Thicket National Preserve Addition Act of 1989;

H.R. 952, to authorize the Secretary of the Interior to provide for the development of a trails interpretation center in the city of Council Bluffs, IA;

H.R. 1484, to establish a National Park System Review Board (subject to a rule);

H.R. 828, Bureau of Land Management Authorization, fiscal 1990-93 (subject to a rule); and

H.R. 1549, Nuclear Regulatory Commission Authorization Act, fiscal 1990-91.

On the last bill, H.R. 1549, that will be the rule only.

On Tuesday, July 18, the House will meet at noon and take up the Private Calendar and an unnumbered H.R. bill not yet determined, Agriculture and related agencies appropriations for fiscal year 1990.

Then on Wednesday, Thursday, and Friday, July 19, 20, and 21, with the House meeting at 10 a.m., we will consider the Veterans' Administration Housing and Urban Development Appropriation Act for fiscal year 1990, subject to a rule, and the Foreign Operations Appropriations Act for fiscal year 1990, also subject to a rule.

In addition, we will try to consider H.R. 1056, to amend the Solid Waste Disposal Act to clarify provisions concerning the application of certain requirements and sanctions to Federal facilities, also subject to a rule.

Conference reports may be brought up at any time and any further program will be announced later.

We hope and believe that we can finish our business by the end of business on Friday. Members should expect that we will have votes on Friday.

Mr. MICHEL. Mr. Speaker, might I inquire of the distinguished majority leader again with respect to Monday. Did I hear the gentleman say that the votes on any suspensions that might be ordered would be deferred until after all business of the day was concluded, or just consideration of those on suspension?

Mr. GEPHARDT. Mr. Speaker, if the gentleman will yield further, it will be held, our intent is to try to have the votes begin in the period around 5 p.m. We will run business until that can be done.

Mr. MICHEL. So that is a time certain then for Members when they would begin voting next Monday, 4:30 to 5 o'clock?

Mr. GEPHARDT. Correct.

□ 1720

Mr. MICHEL. Depending upon how far we are in the consideration of one or the other of the bills, that would be the time that we would begin voting?

Mr. GEPHARDT. The gentleman is correct.

Mr. MICHEL. Second, on H.R. 1549, the NRC Authorization Act, the program I have says subject to a rule. Did I understand the gentleman to say that we would consider that on Monday, the rule only, or would we go on to general debate?

Mr. GEPHARDT. The rule only.

Mr. MICHEL. Then I think that completes it.

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

Mr. MICHEL. I am happy to yield to the gentleman from Georgia.

Mr. GINGRICH. Mr. Speaker, I wanted to make a couple of quick points, and I would appreciate it very much if our colleague would comment.

First of all, on the voting on Mondays, I might just put in an applause for the westerners, although I represent Atlanta, that, if necessary, it would probably be useful to go to special orders and then come back to voting so that if we decided, say, on a 5 o'clock time as our normal time for voting on Mondays, as I understand it, on the west coast, if we vote much earlier than that, one would have to come back on Sunday, or they would miss the vote even if they got up very early. I would just like to say on our side that I think we would be agreeable to, if necessary, suspending legislative business and taking special orders for a while and then come back to vote around 5 to guarantee, even if we get done with legislative business early, that Members would not be halfway between here and Dulles. I do not know if the majority leader would care to comment.

Mr. GEPHARDT. That is our intent.

Mr. GINGRICH. Second, as I mentioned earlier, and I know the Republican leader has mentioned, I really do think it is important for the Committee on Appropriations to face two realities in its proceedings. One is that if they do not report a bill our with adequate time for Members, individual Members, the Democratic Study Group, the Repubican Study Committee and other activists, to look at the bill, it is a real, I think, injury to individual Members to have an appropriations bill reported out and less than 48 hours later on the floor when the paperwork of reporting a bill out means

the average Member in essence is being asked to take it or leave it because they would not know until after we get through conference what is in there. As I mentioned, all of us are caught, I think, a little surprised by the particular section on HUD involving drugs, and what Jack Kemp is trying to do on drugs, that none of us, to the best of my knowledge, on either side of the aisle was aware of what was in the supplemental. I would hope that the Democratic leadershp would work with the full Committee on Appropriations and the chairman to try to get bills out so that we have at least 72 hours, 3 days, from the time of the final vote in committee to the time we see it on the floor. I do not know if the gentleman would like to comment on that for a second. And I do have one more comment on appropriations.

Mr. GEPHARDT. The gentleman's point is well taken. We have a 3-day rule in the House, and where appropriations bills are obtaining rules, it would be our hope and intent that in most cases we could have the 3-day rule be observed. I would say to the gentleman unfortunately with the bills next week we have had some difficulty getting them finished in time for a variety of reasons, and it will be impossible to have the full 3 days for some or all of those bills.

It would be our intent and hope, and we have talked to the committee members and the subcommittee chairs on the bills that are coming next week and the week after that, to try in every case. We may not reach it in every case, but in every case to try to have as best we can the 3-day rule be observed.

Mr. GINGRICH. If I might pursue that one more minute: it is my understanding the Office of Management and Budget on a bipartisan basis has staff-to-staff work going on in the other body on appropriations starting at the subcommittee, and I would just mention that to the degree we can get on a bipartisan basis the House Committee on Appropriations to agree that analytical work and staff-to-staff work begin at the subcommittee level, and I think it would help the executive branch and the President understand even in a relatively short time if we do get into the kind of crunch the majority leader discussed so that again there will just be an equity in terms of not suddenly ending up in conference and discovering that we in the House had failed to deal with some issue because literally it was impossible for the Office of Management and Budget to analyze it in a short amount of time. I do not know if the gentleman would like to comment at all.

Mr. GEPHARDT. I think all Members on and off the committee deserve a chance to analyze the numbers expressed in a particular piece of legislation, especially appropriations legislation, and that is the reason we want to try to hit this 3-day rule and allow the budget committees to do their work.

Mr. GINGRICH. My last point, and I appreciate the leader tolerating my having this much time to pursue this, and the Democratic leader for participating, but I do think the Members will begin to get a little concerned about that August 5 target date if we have very much slippage in the near future. I would hope we would sort of look carefully at either trying to keep literally the Friday date and, if necessary, postponing things until September, and I just looked at next week's tentative schedule, and I began to look at some slippage that might build in the next week with the defense authorization bill coming up, and I do not know if the gentleman's leadership has thought through or would like to share with us what might begin to happen. I know that the August 5 date is the date the gentleman wants to keep.

Mr. GEPHARDT. It surely is. Our hope is to do the defense authorization bill in 4 days, and on Friday of next week to be able to do another appropriation bill which will leave us with the remainder of the appropriation bills in the last week. We have plotted out a schedule through that week that we believe will allow us, with some room, to be able to get the rest or almost all of the rest done. We may not be able to get one bill done by the August date, but we believe we can.

Mr. GINGRICH. Mr. Speaker, I thank both the leaders for giving me so much time.

Mr. MICHEL. Before yielding back, I have been asked on the Nuclear Regulatory Commission Authorization Act where we are going to consider the rule only, when would the general debate or further consideration of that bill be considered? Would that follow on as the first order of business of Tuesday?

Mr. GEPHARDT. It is unclear at this point. I would hope that we could do it in the following week. It may be able to be done later in the week. I do not know the answer.

Mr. MICHEL. I thank the gentleman.

Furthermore, another question: What if either one of those two appropriation bills scheduled for next week, VA, HUD, and Foreign Ops, are not completed in time for our considering them next week? What does that do to the schedule, I guess more pointedly, on Friday?

Mr. GEPHARDT. Obviously, if we have one of those bills come off, it could mean we will not meet on Friday, but it is my belief that we will get all those bills up and that we will be here on Friday.

Mr. MICHEL. And that our original schedule did alert Members to be ready for work on that Friday?

Mr. GEPHARDT. That is exactly right.

Mr. MICHEL. I thank the distinguished majority leader.

ADJOURNMENT TO MONDAY, JULY 17, 1989

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at noon on Monday next.

The SPEAKER pro tempore (Mr. MURTHA). Is there objection to the request of the gentleman from Missouri?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

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

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2360

Mr. HOLLOWAY. Mr. Speaker, I ask unanimous consent that the name of the gentleman from New York [Mr. WALSH] be removed as a cosponsor of H.R. 2360. His name was mistakenly added.

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

There was no objection.

TWO CHILDREN DIE IN FIRE STARTED BY CIGARETTE IN MATTRESS

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

Mr. MOAKLEY. Mr. Speaker, on July 4, an apartment fire, believed to have started when a cigarette ignited a mattress, killed two young boys ages 2 and 4, and seriously injured a 35-year-old woman.

This incident is just one of many tragedies that could be prevented in the future. A cigarette which would not ignite furniture and mattresses is technically and economically feasible to produce. The development of a fire safe cigarette would save thousands of lives, prevent thousands of burn injuries, and save millions in property damage.

H.R. 293, the Fire Safe Cigarette Act of 1989, takes the necessary steps to

prevent these fires. Three leading national fire service organizations, along with many other State and local fire service organizations, endorsed H.R. 293. More than 50 Members have expressed their support and cosponsored the legislation. I urge my fellow colleagues to please give this legislation their utmost consideration.

For every day that passes and no action is taken to develop a fire safe cigarette, another innocent child may become a victim to this senseless and unpublicized killer.

Mr. Speaker, I include the following article from the San Francisco Examiner of July 5:

[From the San Francisco Examiner, July 5, 1989]

2 BOYS DIE IN FIRE STARTED BY CIGARETTE IN MATTRESS

Two young boys—a 2-year-old and a 4-year-old—have died in a fire in a Polk Gulch apartment fire believed to have started when a cigarette ignited a mattress, fire officials said.

A 35-year-old woman, identified by the apartment building manager as Ines Shapiro, was in serious condition Wednesday morning at San Francisco General Hospital suffering from smoke inhalation. She was in the apartment at 1030 Post St. when the fire started.

The boys' names were withheld pending notification of relatives.

The 8:27 p.m. one-alarm blaze was in a fourth-floor apartment. Firefighters, who were right across the street, doused the blaze quickly.

Assistant Fire Chief Ed Murphy said the boys probably were overcome by smoke from the small fire. He said firefighters responded quickly in removing the children from the structure.

Murphy couldn't estimate the damage to the two-room apartment but says there was not much structural damage. He said the fire was held to the mattress and contents.

LOCAL NEWSPAPER AD AN EMBARRASSMENT TO MEDICAL PROFESSION

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

Mr. McDERMOTT. Mr. Speaker, many of us have seen a full-page ad in our local newspapers, with the headline "How do you tell someone on Medicare she is an 'expenditure target'?" The ad says the Ways and Means Committee's bipartisan proposal to keep Medicare costs under control will lead to "the rationing of care."

I do not know where the American Medical Association has been while some of us have been trying to bring affordable health care to all Americans, but I have news for them: health care is already rationed. If they have coverage, they get the best medical care in the world, sometimes even more than they need. If they do not have coverage, they can hope for an underfunded public hospital or a doctor who feels charitable.

This ad is a blatant distortion of the committee proposal, and an embarrassment to the medical profession. It says "services would have to be reduced" if expenditure targets are exceeded. What could be reduced are increases in physicians' fees. If the AMA wants to write itself out of the debate on health care policy, this strategy of distortion will go a long way to do so.

Mr. Speaker, 50 years ago the AMA opposed the very idea of health insurance; 25 years ago they opposed Medicare and Medicaid. It is a good thing that good public policy won out on those occasions, and it looks like it may happen again. Physicians have a lot to contribute to health care policymaking. The expenditure target approach is not the only way to reconcile access with cost containment. I hope America's physicians will start playing a constructive part in the process.

[From the New York Times, July 13, 1989]

A LEGAL LID FOR DOCTORS' FEES

The Congressional version of E.T. isn't lovable or extraterrestrial. But it will likely become an even bigger financial success than the joyous movie character. Medicare payments to doctors have risen more than 15 percent a year in the 1980's. Because three-quarters of these reimbursements are paid by taxes, Congress wants to impose a program of expenditure targets, or E.T. While not without risk, the plan deserves support.

E.T., approved by the House Ways and Means Committee last month, is part of a comprehensive overhaul of Medicare payments to physicians. Under it, the Department of Health and Human Services would effect a new schedule of fees that Government will pay Medicare doctors. The legislation would also limit how much doctors could charge beyond the approved fees.

In the past, controlling fees has failed to control Medicare outlays because physicians have found ways to bill for additional services. E.T. would answer this problem by offsetting excessive billing in one year with lower fees the next.

Each year, Human Services would set a national target for overall outlays based on factors like the number of retirees and inflation. If actual outlays nationwide exceed the target by, say, 2 percent, then the department would lower fees it will pay for procedures by 2 percent the following year.

Reductions would not have to apply equally across the board. Human Services would have plenty of discretion to single out particular specialties, procedures or regions that appeared to be contributing more than others to the overruns.

As expected, the American Medical Association has denounced E.T. Controlling fees, the A.M.A. warns, could make Medicare treatment unprofitable, causing doctors to turn away Medicare patients. But those predictions are alarmist. The legislation strictly limits the amount by which Human Services could lower fees in any one year no matter how large the previous cost overrun.

In the unlikely event that Human Services set fees below cost so that physicians began withdrawing their services, the error would become obvious, and it would face enormous pressure to raise fees.

Instead of E.T., the A.M.A. prefers treatment guidelines to control unnecessary billings. Such guidelines could be used by peer review panels to keep an eye on individual physicians. That's not a bad idea, though health experts like Alain Enthoven, professor of management at Stanford, are skeptical that such guidelines can adequately control costs.

Yet E.T. and treatment guidelines are not contradictory. In fact E.T. should encourage the A.M.A. to design such guidelines as a way to live with E.T. Only by disciplining themselves and weeding out unnecessary billing will physicians insulate their fees from the Human Service hatchet.

E.T. is not riskless. Doctors may fail at self-discipline; or Human Services may, despite pressure to the contrary, persist in setting fees too low. But those risks are worth taking. Previous attempts to control physician costs have failed. E.T. offers a reasonable way to do much better.

U.S. ALTERNATIVE FUELS COUNCIL MEMO NO. 71389; ALCOHOL FUEL, ONE FOR THE ROAD

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

Mr. ALEXANDER. Mr. Speaker, the National Press Corps is to be commended. During the last several weeks I have been pleased to observe that with increasing regularity more and more attention is being given to the subject of clean air and the environment.

Just last week in the Washington Post Outposts section an article appeared, authored by Dr. Harry P. Gregor, professor emeritus of chemical engineering at Columbia University. He observes that 40 percent of the clean air problems in America originate from automotive emissions—burning gasoline in our automobiles.

He writes that if ethanol was used in all city-owned or regulated vehicles such as buses, taxis, police cars and garbage trucks in the nine U.S. areas of highest air pollution, air quality would rapidly and markedly improve.

Cleaner air, expanded markets for our farmers and renewable fuel sources—what better reasons to proceed as rapidly as possible in developing an alternate fuels program for our Nation.

Mr. Speaker, what a great opportunity our President has tomorrow as he begins the economic summit in Paris by addressing the problem of clean air and the environment.

I include the article as follows:

[From the Washington Post, July 9, 1989]

ALCOHOL FUEL: THE ONE FOR THE ROAD

(By Harry P. Gregor)

President Bush recently proposed that the United States gradually phase-in vehicles that run on clean, alternatives fuels such as methanol, ethanol and compressed natural gas. No matter which of these—or others—we finally select, it will have momentous

consequences for America's air quality, public health and economy as well as the ecological future of the planet.

Any serious contender for an alternative vehicular fuel must meet six criteria. It must:

—be comparable in cost to gasoline;

—be renewable—derived from a virtually inexhaustible energy source;

—produce minimal pollution;

—not come from fossil fuels and thus not add net carbon dioxide to the atmosphere, exacerbating the greenhouse effect;

—be easily transported, stored and suitable for reasonably priced vehicles; and

—be producible using technologies already, proven to be feasible, in amounts large enough to fulfill our most pressing needs soon and ultimately to supply a major fraction of our national demand.

The only alternative fuel that can meet these requirements is ethanol—ethyl alcohol. It is already being produced from starch (corn) and sugar (cane and beet) crops. And it has been proven on the road: In Brazil, ethanol from sugar cane powers 2 million vehicles—most of them manufactured by General Motors and Ford.

Brazil uses archaic technologies of biomass conversion that consume more energy than they produce in fuel. But if modern, energy- and cost-effective membrane technologies are employed for biomass conversion ethanol fuels can compete easily with gasoline in cost. There is no doubt that world agriculture can soon produce enough biomass feedstock to replace an appreciable fraction of the liquid fossil-derived fuels we now consume. Ultimately, alcohol fuel can become our major liquid energy source. A land mass equal in area to 10 percent of the Amazon rain forest can produce enough biomass to satisfy all of the energy requirements for both Americas in the year 2000.

Moreover, of the alternative fuels the president mentioned, ethanol is the only one which meets the Clean Air Act requirements for low pollution while adding no net carbon dioxide to the atmosphere. The latter is imperative if we are to avoid disastrous global warming from the greenhouse effect.

A CLEAN MACHINE

Ethanol is ideally suited to use in vehicles, which are collectively responsible for over 40 percent of the nation's air-quality problem. Cars emit numerous pollutants including: noxious organic gases, of which benzene and other aromatics are the worst; particulate matter in the form of smoke and soot (largely from diesel fuel); oxides of nitrogen; and carbon monoxide.

Even without combustion, vaporized fuel escapes from the carburetor, fuel line and gas cap. In the presence of sunlight, it reacts with oxygen in the air to form ozone. Although "closed-loop" carburation, better gas caps and vapor-recovery fuel nozzles can alleviate much of this problem, as a practical matter evaporative fuel losses cannot be eliminated. Hence, another advantage of ethanol: It is less volatile than other alternatives. Evaporative pressures, as measured by industry standards, are 2.2 for ethanol, 4 for methanol and 10 for gasoline. (Compressed natural gas or CNG should have no evaporation because it requires a pressurized, completely closed system.)

Methanol and ethanol burn with a nearly colorless and odorless flame, cleaner than CNG and much cleaner than gasoline or diesel fuel. They also burn cooler. This is important because in the engine, high flame temperatures lead to reactions with nitrogen from air to produce oxides of nitrogen (NOx). Alcohols make only one-fifth as much NOx. Incomplete combustion of any fuel results in carbon monoxide. All the alternative fuels make less of it than gasoline, possibly because they allow the catalysts to be more efficient.

Incomplete combustion of alcohols also produces compounds called aldehydes. Methanol yields formaldehyde, a carcinogen and the active ingredient in embalming fluid. Ethanol leads to acetaldehyde—rather benign despite its name. (When you drink an alcoholic beverage, the ethanol is metabolized to acetaldehyde, and then to carbon dioxide and water.)

In addition, efficient auto motors require fuels having a high octane number—that is, fuels that do not burn too quickly, producing engine "knock." Gasoline requires antiknock additives; but methanol and ethanol naturally have very high octane numbers, which is one reason why ethanol is used to fuel racing cars.

Admittedly, cold starts with alcohols present problems. Gasoline blends provide volatile components to ease starting; but they also cause pollution. There are, however, volatile substances that can be added to alcohols without increasing pollution (while also acting as a denaturant to keep people from drinking the fuel). And alcohol tanks would have to be larger than conventional gas tanks, since ethanol has two-thirds the energy content of gasoline. (Methanol has about one-half.)

* * * * *

For biomass conversion, a pilot-plant study is a must because agribusinesses are highly conservative. Given the virtually unlimited market available for liquid fuels, it is probable that there will be adequate private investment capital for new construction, with no need for governmental grants and subsidies. Since membrane technologies are of the "add-on" variety, owners of existing sugar and alcohol plants will find it profitable to convert and modernize to increase production and lower costs. American exports might also benefit, since the United States is the major innovator and producer of membrane equipment, and a substantial market will evolve.

There is another feedstock for ethanol, one costing about one cent a pound and available in massive amounts: cellulose from trees. Cellulose is a long-chain molecule made of the same sugar units as starch, but with a different linkage that has traditionally been difficult to break. Only one substance can do this in a cost-effective manner—concentrated hydrochloric acid at room temperature. Large plants built in the 1930s in Germany and operated through World War II accomplished this conversion to sugars and alcohol. One step in the conversion was far too expensive in equipment and energy so the process was abandoned.

But now we have the conceptual understanding to carry out that step at low cost using membranes. With a modest research effort over the next two years, the United States could be in a position to start a pilot plant study in 1992. Cellulose conversion has real promise of being the ultimate process to supply our worldwide energy needs while contributing to the environment.

And to do so at an attractive price: It takes 14 pounds of feedstock to make one gallon of ethanol, so feedstock price is highly important. At 2 cents a pound, this comes to 28 cents a gallon for biomass. Add a total conversion cost (using membranes) of about 15 cents, and the total price per gallon of ethanol is 43 cents—competitive with gasoline on an energy basis. Moreover, additional revenues from byproducts and fertilizer reuse make the process even more attractive. Published costs for methanol and CNG production and use are appreciably higher.

CLEANING THE AIR

If ethanol use were mandated for all city-owned or regulated vehicles such as buses, taxis, police cars and garbage trucks in the nine U.S. area of highest air pollution, air quality would rapidly and markedly improve. Even a limited ethanol production and motor modification program could serve that need. The new legislation in California mandating the use of non-polluting fuels is an empty threat unless a practical candidate fuel is available. The same applies to EPA regulatory sanctions.

A substantial use of any alternative fuel in the United States will be slow in coming, since the quantities involved are staggering. We now consume one-third of the world's oil production, with automobiles using some 40 percent of that share and contributing about 40 percent to U.S. air pollution. Yet it is crucial that we begin now.

If we lower our rate of new carbon dioxide production by even limited use of ethanol, oceans and the land will have more time to absorb carbon dioxide and blunt the greenhouse effect. Geochemists estimate that a 50-percent reduction in new carbon dioxide emissions from fossil fuels will stabilize atmospheric levels and negate the threatened greenhouse effect.

And in the long term, biomass conversion and the virtually unlimited market for fuel alcohol will free many nations from dependency on foreign oil and convert them into energy-producing states. The Philippines, for example, have an enormous potential for biomass production and are near a huge market for liquid fuels in the Far East. For many developing nations, biomass conversion could be a major factor in accelerating economic development. Countries with an indigenous agriculture can have an independent source of energy.

The color green is becoming a dominant one on the international political scene. What better way to purify our environment and stabilize economies than to harness the energy of the sun, using plants to perform the only truly difficult part of biomass utilization, photosynthesis. That R&D program is Godgiven and proven; we have only to add our modest man-made technologies to make cost-effective and renewable fuels.

A DISTILLERY FOR CARS

When most people think of producing alcohol, they envision a process of distillation in which a fermented mass is heated, and the vaporized alcohol is recovered by condensation. Unfortunately, this method requires more energy than it puts out in fuel.

However, another method of alcohol extraction has been evolving since the 1940s. This technology, pioneered at the University of Minnesota by Karl Sollner and myself, employs permeable, selective membranes. Made from synthetic plastics, these membranes selectively permit only certain desired molecules to pass through while screening others out.

Five membrane technologies can be employed to produce ethanol from sugar cane and beets, with the same two or three used for starch conversion. When applicable, membrane technologies are remarkably energy-efficient. Typically, they require less

than 10 percent—and often only about 3 percent—of the energy required by evaporation, the principal concentrating process in use today.

In addition, membrane processes operate at room temperatures, so the substantial and heat-unstable byproduct values present in cane and beet juices and in corn wet milling streams remain intact for recovery, instead of being largely destroyed by the heat of evaporation.

Three, state-of-the art membrane technologies are already in widespread use: Ultrafiltration removes large molecules and impurities; reverse osmosis concentrates by removing water; electrodialysis removes and concentrates salts. Numerous industries use these techniques, and they are employed on a very large scale for water desalination.

Recently, two new membrane technologies have been developed. Innovative microfilters make fermentation more rapid and cost-efficient by recycling the yeast cells and removing alcohol during fermentation. New "pervaporation" techniques—in effect, distillation across a membrane—afford a particularly energy-efficient means of separating the water-alcohol mixtures which result.

We know enough now to build a pilot plant, starting with the three commercially available devices. At the same time, bench-scale studies will select the best of available membrane and define how the two new pilot plant devices might be constructed. Full-scale plants of modest size for biomass, conversion will cost about $50 million, large ones more than twice as much.

□ 1730

HONESTY IN DEFICIT ACCOUNTING ACT OF 1989

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina [Mr. DERRICK] is recognized for 5 minutes.

Mr. DERRICK. Mr. Speaker, I have today introduced legislation which will reveal to the American people the truth about the financial condition of the Federal Government. I rise today to express to the House by grave concern about the menace posed to present and future generations of Social Security retirees and beneficiaries by the practice of including Social Security trust fund surpluses in the Federal budget for purposes of calculating the maximum deficit amount under the Gramm-Rudman-Hollings law. One evil effect of this bookkeeping sleight-of-hand is to conceal from the American people the true size of the Federal budget deficit. Now, Mr. Speaker, as if that weren't enough, an even more threatening aspect of this practice is the effective use of Social Security trust fund surpluses, which Uncle Sam holds in trust for future generations to offset massive operating deficits elsewhere in the budget. In other words, today's Federal spending binge is financed in part by Social Security taxes.

This insidious use of Social Security trust funds developed as follows. The 1983 Social Security amendments strengthened the financial position of the system in part by scheduling a series of increases in payroll taxes. The tax, current 15.02 percent of the first $48,000 of qualifying wages—borne equally by employers and employees—now generates billions more each year than is required to pay benefits to current beneficiaries.

The American public largely believes that as dedicated revenues Social Security trust funds remain entirely separate from the rest of the budget and do not enter into overall Federal tax-and-spend calculations. However, this perception is correct only on paper. In truth, current Social Security tax receipts are used to pay current Social Security benefits, but are also used to defray current day-to-day operating expenses of the Government because the Treasury borrows the excess cash and issues the trust funds an "IOU."

By the end of fiscal year 1990 the Social Security trust funds will have accumulated a surplus of $68 billion. By fiscal 1991 that surplus will have grown to $79 billion, and by fiscal 1993 to $103 billion. The presence in the Treasury of these billions, which under Gramm-Rudman offset deficits elsewhere, arguably entices the Government to spend more than it should, or alternatively, not to tax as heavily as it should to support its present level of services. As long as the Government continues to include these surpluses in the calculation of the Gramm-Rudman-Hollings maximum deficit, then policymakers can postpone facing fiscal reality. In other words, the Government will not act to eliminate this deficit, releasing resources for national savings, as soon as it would if these billions were unavailable.

Mr. Speaker, we must stop using the trust fund surpluses to hide the true size of the deficit. It not only defies logic and accepted accounting principles, it is intellectually dishonest, and it poses a very real risk to the future financial security of millions of workers now contributing to Social Security who expect it to be there when they retire. The American people are becoming aware of the problem, though. In the process of compiling data garnered through a recent nationwide project entitled "An Exercise in Hard Choices," the Committee for a Responsible Federal Budget noted a growing public awareness of government use of Social Security trust funds to finance the deficit.

Mr. Speaker, I hope all my colleagues will join me in supporting the "Honesty in Deficit Accounting Act of 1989." This measure will exclude the surpluses of the Social Security trust funds from the maximum deficit calculations under Gramm-Rudman-Hollings law and revise the Gramm-Rudman-Hollings deficit reduction targets and target dates accordingly. This legislation represents another important step toward restoring fiscal financial health. Only when the American people truly understand the gravity of the illness will they fully appreciate the need for a cure.

B-2 "STEALTH" BOMBER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio. [Mr. MCEWEN] is recognized for 5 minutes.

Mr. MCEWEN. Mr. Speaker, I would like to briefly address the House this evening concerning a matter that has come to the attention of the Armed Services Committee in recent days. It has to do with the final development and public discussion of the B-2.

As Members know, a B-2 long-distance strategic bomber was previously under the jurisdiction of the Intelligence Committee, but this past week it came to light of the general public and much discussion has ensued.

Mr. Speaker, I would like to share with my colleagues one major concern, and that is the fearsome attack that has been made on the B-2 concerning the price of the airplane. There is much to recommend it. It is certainly in the discussion of our national defenses not to be weighed in the terms of dollars and cents, but if they choose to address the debate on the basis of the cost per airplane, I would like to focus the attention of my colleagues on the cost of airplanes in general.

Mr. Speaker, perhaps the longest running commercial aircraft to be produced in this country is the 747. That is now in its 20th year of production. It is 1960's technology. It has been refined and improved every step until now it is the most efficient, most cost-efficient airplane on the market today, and yet if one were to go in to purchase a 747 at this moment, the price for the purchase of a standard stock 747 is $125 million. That is the cost of a commercial transport that is mass produced and has been for 20 years. That means that the dies and the tools and all of the necessary ingredients have been amortized over a quarter of a century, and yet it still costs $125 million.

Mr. Speaker, if some amendments or changes were to be made to that airplane; for example, if we were to add Presidential communications to it, the cost of that airplane immediately jumps to $250 million, $300 million, or in the case of Air Force One, $323 million.

Let us go to the B-1 bomber. The B-1 bomber today costs $351 million, yet it is 1960's and 1970's technology with improved electronics. The B-2 is a quantum leap forward in development. With its new stealth technology, it is 20 to 25 years ahead of anything in the world today. It has to be built from scratch. Every piece that is put together is brand new. Therefore, we

must develop prototypes because when we do, we create the necessary ingredients and the tools and the dies in order to make the airplane in general.

Yet with all of that, this tremendous aircraft is coming to us at a cost in the neighborhood of $450 million a copy, which is not much more than a 747 with Presidential electronic communications. It would revolutionize that leg of the triad known as the long distance air defense bomber.

So Mr. Speaker, for those who will attempt to say, as they have already said we really do not need the sea power, and we hear much debate about the fact we certainly should not have any new missiles, now we should disarm in the area of the air defenses and the Air Force long bomber wing leg of the triad. I think we should take a long hard look before we are stampeded into doing anything radical in the next few days and in the discussions of the Armed Services Committee markup the week after next that will do permanent, terminal harm to keeping our national defenses with a strong Air Force.

HANK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee [Mr. CLEMENT] is recognized for 5 minutes.

Mr. CLEMENT. Mr. Speaker, there is one sure sign of success and achievement, particularly in the entertainment business, that sign is when fans recognize you without having to use your last name, like Elvis. One of the top country music performers of all time can make that claim. Hank, or as his father used to call him, "Bocephus."

Today I want to pay tribute to Hank Williams, Jr., He has won the Country Music Association's "Entertainer of the Year" award 2 years in a row, and the Academy of Country Music "Entertainer of the Year" award 3 consecutive times.

While the awards indicate recognition by his peers, the most meaningful tribute, the real reason Hank Williams, Jr. has kept performing since boyhood, is the admiration, devotion and love that he shares with his fans.

If you've ever been to a Hank Williams, Jr. show it's difficult I describe what he gives his fans, and the special feeling they give him in return, unless you've been there yourself.

Billboard magazine plans to dedicate a special issue to Hank Williams, Jr., on August 26, 1989. I want to pay my own tribute to Hank today, right here on the floor of the U.S. House of Representatives.

Hank Williams, Jr. never had it easy, but I believe that is part of the reason why he is the No. 1 country music entertainer in the world today. In the lines of one of Hank's songs he asks himself the rhetorical question—"Hank, why must you live out the songs that your wrote?" The joy, the pain, and the life of the man, Hank Williams, Jr. is reflected in each note he sings.

Bocephus grew up in the shadow of his famous father, and I understand the way he often must have felt. My own father, the late Governor Frank G. Clement, of Tennessee, was one of the most reknown politicians in Volunteer State history. I recently talked with Hank on his bus prior to one of his concert appearances, and I couldn't help but think about how proud both of our late fathers would be if they were alive today.

Hank Williams, Jr., the top-grossing country music performer in the world, has emerged from that shadow to become a legend in his own right. He has overcome obstacles that literally included a fight for his very life. After a near fatal fall from a mountaintop in Montana, the struggle to establish his own musical identity and the rigors of a hectic worldwide travel schedule, to become an international superstar.

His musical roots can be traced to 1957 when Johnnie Bailes of the Bailes Brothers group introduced him in Swaynesboro, GA, the very first time he ever appeared on stage at the tender age of 8.

Since then Hank has gone on to sell 25 million records and receive 17 gold albums, five platinum albums and one double platinum album.

Hank Williams, Jr. can play it all, from haunting country melodies to rock and roll to rhythm and blues. He is comfortable playing with the rock group like Van Halen, soul legend Ray Charles or with country and gospel performers. He even did a version of the broadway show tune "Ain't Misbehavin'" from Porgy and Bess that became a best seller. His broad musical range and diversity indicate that Hank Jr. is one of the most remarkable musical talents in the world today.

I'd also like to note the accomplishments of the "Man Behind the Man," Hank Jr.'s manager, Merle Kilgore.

Merle, a Shreveport, LA, native and country music star in his own right, first went to work for Hank Williams, Sr. at the age of 14 after asking him if he could carry his guitar.

He went to work for Hank, Jr. when Bocephus was 14 years old, on May 1, 1964.

Merle, through his hard work, dedication and old school savvy, has helped Hank, Jr. stay at the top of the country music charts for a quarter-century.

It is fitting and proper that billboard magazine dedicate a special issue to Hank Willliams, Jr. and his organization. It is my distinct honor and privilege to offer my own salute today for this incredible performer who has accomplished nearly every achievement possible in his field.

I am very proud to boast that Hank Williams, Jr. has established his home and corporate headquarters in Paris, TN, in my home State. I am proud of Hank, Jr. for everything he has achieved, and I am proudest to call him my friend.

In conclusion, my feelings about this great artist can best be summed up by using the lines of one of Hank, Jr.'s own songs, "A Country Boy Can Survive"—

We came from the West Virginia coal mines—
And the Rocky Mountains and the western skies—
And we can skin a buck, we can run a trout line—
And a country boy can survive—
Country folks can survive.
We're from North California and South Alabam'—
And little towns all around this land—
And we can skin a buck, we can run a trout line—
And a country boy can survive—
Country folks can survive—

Hank Williams, Jr., is a country boy, and through all of the miles, the years and the tears, Bocephus has survived. So will his music. Not only will it will survive—it will live on forever.

□ 1740

SECRETARY MARSH COMMEMORATES D-DAY ANNIVERSARY

The SPEAKER pro tempore (Mr. CHAPMAN). Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 5 minutes.

Mr. MONTGOMERY. Mr. Speaker, the Secretary of the Army, John O. Marsh, represented the Defense Department and President Bush on June 6 at the 45th anniversary of the D-Day invasion of Europe. More than 3,000 people attended the ceremonies at the Normandy-American Cemetery. One of those present was our colleague, SAM GIBBONS of Florida, who was also there 45 years ago when the allies stormed the beaches.

I want to share with my colleagues the very eloquent remarks Secretary Marsh made to that distinguished group. I might add that our former colleague, Jack Marsh, has served as Secretary of the Army, longer than any other individual.

Distinguished military guests, veterans of Normandy and World War II, and I would particularly single out the Member of the United States Congress who made the parachute assault on D-Day, my good friend, Sam Gibbons. Sam, stand up.

To all the members of the U.S. armed forces, ladies and gentlemen. It is an honor for me to be here as the President's representative. His valorous career in World War II and his public service demonstrate his commitment to freedom and to world peace. This was made clear in his recent visit and statements when he came to Europe.

Normandy shall always be an event of historic significance—militarily, politically, and culturally. Its commemoration should raise for us two questions. The first, what brought them here? That question shall be asked by other generations in other times. The answer is important to us all. It was shared values. Shared values that brought them here. Values that created a common bond, forged a wartime alliance to pursue a common endeavor.

1989 is a year of historical significance to three nations that played a major role in that alliance. It is the tercentennial of the English Bill of Rights which define the rights of Englishmen. It is the bicentennial of the French Declaration of Rights and of the Citizen, a hallmark of human freedom. It is the 200th anniversary of the founding of the American Republic, a representative government dedicated to ordered liberty. These three events and their mutual values came into confluence here. They established a common course, gave us a mutual goal. It was not just national preservation, but the perpetuation of ideas central to human freedom and individual worth.

True, that rifleman clawing his way across the beach that was swept by fire, or the sailor whose craft was bobbing as a target in the English channel, or the airman diving into a tracer stream of antiaircraft fire did not perceive in their personal world of survival these great causes. Nevertheless, their deeds were essential to their attainment and to victory.

The second question is, What brings us here? We are here to remember what was done at this place and why. We are here to thank the living and to honor the dead. Our presence is a symbol that what occurred here was important, and what was endured here should never be forgotten.

From the vantage point of time it is our task, it is our duty, to discern the grandeur of purpose, to more clearly define the values of that purpose. It is imortant that we understand that we are the beneficiaries of their sacrifice and just how we have benefited.

This 45th anniversary of Normandy is the 40th year of the North Atlantic Treaty Organization—an alliance for freedom that has its roots in Normandy. An alliance that has kept the peace in Western Europe for a longer period of time than any time since the fall of the Roman Empire. Only through the eyes of the past can we see the consequence of the deeds that are done each day. And 45 years later, we can begin to measure the importance of Normandy to us all and to a world that some day might be at peace with freedom unto all.

For those who fell, they died in youth that liberty might grow old.

JOINT RESOLUTION TO DESIGNATE 1989 AS "UNITED STATES CUSTOMS SERVICE 200TH ANNIVERSARY YEAR"

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ROSTENKOWSKI] is recognized for 5 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, today I am proudly introducing a joint resolution to designate 1989 as the "United States Customs Service 200th Anniversary Year" and to authorize the President to issue a proclamation calling upon the people of the United States to observe the year with appropriate ceremonies and activities.

The U.S. Customs Service is one of the oldest of all Federal agencies. It was created on July 31, 1789, when George Washington signed into law the legislation creating it, the Fifth Act of the First Congress.

In the early years, the Customs Service was our primary source of revenue. For nearly 200 years, the many dedicated employees of the Customs Service have, in addition to collecting revenue, enforced all of our laws at the U.S. border and protected U.S. citizens from a wide range of illegal importations such as illicit drugs and other contraband goods.

I have seen firsthand in my role as chairman of the Committee on Ways and Means, which is responsible for oversight of the Customs Service, the creative means that smugglers have used to circumvent our laws and I have witnessed the great ingenuity with which our Customs officers have responded in order to protect our borders.

The responsibilities of the Customs Service have become increasingly complex over the years as the Congress has passed wide ranging legislation regulating trade in goods. With a dramatic increase in the volume of imports, the Customs Service has had to be resourceful in carrying out its responsibilities without a significant increase in personnel.

By introducing this resolution, I want to commend all of the dedicated employees of the Customs Service, both present and past, for their significant contribution to the welfare of the United States. My father once proudly served as the Collector of Customs in Chicago and I want to honor his memory as well with this resolution.

Somehow, it seems fitting that we are commemorating the 200th anniversary of the Customs Service during the same year that its oversight committee, the Committee on Ways and Means, is also celebrating its 200th anniversary. I urge all of my colleagues to join with me in honoring this important Federal agency.

TESTIMONY ON THE FLAG AMENDMENT

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Illinois [Mr. MICHEL] is recognized for 60 minutes.

Mr. MICHEL. Mr. Speaker, I wish to share with my colleagues my testimony and the testimony of the gentleman from Mississippi [Mr. MONTGOMERY] before the Subcommittee on Civil and Constitutional Rights in support of a constitutional amendment to prohibit the physical desecration of the American flag. A text of the testimony follows:

TESTIMONY OF HOUSE REPUBLICAN LEADER BOB MICHEL, SUBCOMMITTEE ON CIVIL AND CONSTITUTIONAL RIGHTS, THE FLAG AMENDMENT

Mr. Chairman, let me first thank you and the members of the Subcommittee and the Chairman of the Judiciary Committee, Mr. Brooks, for this opportunity to present our views on the proposed Constitutional amendment.

Our amendment reads as follows:

"The Congress and the States shall have power to prohibit the physical desecration of the flag of the United States."

Since we first proposed the amendment, we have been asked many questions, but 3 stand out:

First, why a Constitutional amendment? Won't legislation do the job as well?

Second, what do we mean by the words "physically desecrate"?

Third, isn't this amendment a threat to First Amendment rights? Aren't you really trying to amend the Bill of Rights?

Let me take those questions in order.

Why a Constitutional amendment?

Our goal is to overturn the *Texas* v. *Johnson* Supreme Court decision. Some of the scholars and experts we contacted told us that it was impossible to do so by statute. Mr. John M. Luckey, an American Law Division lawyer in the Library of Congress has written, "an amendment to the Constitution would be the most certain method of effectively reversing *Texas* v. *Johnson*."

Right after the decision came down, the Senate, while debating child care legislation, considered and passed an amendment by voice vote to the current Federal Statute on desecrating the flag with scarcely 15 minutes of discussion and only 4 Senators participating.

Judge Robert Bork and Richard Thornburgh, Attorney General of the United States, believe that the Constitutional Amendment approach is the only way. The Veterans of Foreign Wars tell us it is their counsel's best opinion that only a Constitutional amendment would work.

Even experts who do not favor a Constitutional amendment approach say that a legislative approach would not work. Dr. Walter Berns, of Georgetown University and the American Enterprise Institute, opposed to an amendment, says legislation won't do the job.

Floyd Abrams, leading Constitutional scholar, was asked on the David Brinkley show, July 2nd, if he thought the language of Senator Biden's statute would "solve the problem".

Mr. Abrams said: "I don't think so". He praised Senator Biden's contribution and said he himself would first look to the statutory approach if he were against the ruling. But again, when asked, he said, concerning a test case of the Biden statute:

"I don't think it would stand . . . I don't think it can be done by statute . . . I think it's a losing argument, that there's a way to draft a statute . . ."

Let me repeat that Mr. Abrams does not support a Constitutional amendment. But the important point here is that while he doesn't believe an amendment is necessary, if something should be done, he says the statutory approach can't do the job.

Mr. Chairman, we believe there is no quick legislative fix on this issue. Either we amend the Constitution—as grave and complicated an undertaking as that is—or else we let the decision stand. There is no middle ground.

But the question "Why an amendment?" has another kind of meaning, one that transcends mere technical differences between legislation and amendments. In the deeper sense of the word, we are being asked why we are taking any course of action at all.

We can give no better answer than to quote from the majority and the minority opinions in *Texas* v. *Johnson*.

Justice William Brennan, for the majority, speaks of the "flag's deservedly cherished place in our community." He speaks twice of "the flag's special role" and of "the feeling it inspires".

Justice Kennedy speaks of the "lonely place of honor" held by the flag.

Chief Justice Rehnquist's opening pages of his dissent quote from patriotic poems

about the flag and document its revered place in our history. Critics dismiss these passages as mere rhetoric.

But, to the contrary, it seems to us that the Chief Justice was reinforcing by these passages the unique place the flag holds in the history and in the hearts of the American people.

"No other American symbol" the Chief Justice writes, "has been as universally honored as the flag . . . the flag is not simply another 'idea' or 'point of view', competing for recognition in the marketplace of ideas . . ."

Again, Mr. Chairman, let me stress the point that what I have quoted from the majority and minority opinions is not "mere rhetoric". It is instead, the very heart of the matter. The flag holds a unique place in our nation.

In his majority opinion, Justice Brennan wrote:

"We do not consecrate the flag by punishing its desecration, for in doing so we dilute the freedom that this cherished emblem represents."

But we do not seek to "consecrate" the flag through our amendment. The flag already *is* consecrated through 200 years of love and sacrifice and reverence of a very special kind. We seek only to protect it, just as you'd protect any loved one under attack.

And since I have just quoted Justice Brennan using the word "desecration", this is as good a time as any to raise the second major question:

"What do we mean by the words 'physically desecrate' "?

Some say the word "desecrate" is too vague and could mean anything or everything and, therefore, should not be used in the amendment. We respectfully disagree.

In common usage there is no permanent elasticity to the definition of the word "desecrate". Common usage and the dictionary give us reasonable limits outside which the word "desecrate" cannot reasonably be used.

To desecrate, according to one dictionary definition, means "to treat an object of veneration irreverently or contemptuously . . ."

Justice Brennan himself uses the word "desecration" in one or another of its forms no fewer than ten times in his majority opinion. No one that I am aware of has asked the distinguished Justice what he intends to mean by the word.

The Congress itself passed a law in 1968 titled: "Desecration of the flag of the United States" (Title 18 U.S. Code, Section 700) which uses words like "publicly mutilating, defacing, defiling, burning or trampling upon" under the general category of "desecration". When Congress passed that law, we presumably had no difficulty understanding what the words meant.

Constitutional amendments are relatively short and to the point. Our proposal is in keeping with this historical format. It is not and has not been the objective of Constitutional amendments to prescribe in specific, detailed form, that which is forbidden or permitted.

We inserted the word "physically" before "desecrate" precisely to make the point, as columnist David Broder recently put it, that "the Dallas demonstrator could have stood freely outside the Republican convention and declared to all the world 'I abhor this flag and all it stands for', (but) he could not have burned it, as he did."

Our amendment does not command the States and the Congress to pass laws protecting the flag from desecration. It simply gives to them the right to do so.

Each State and the Congress, through testimony, discussion and debate, will create a legislative history in which the reasonable limits of the definition of "desecration" will be made known.

Finally, some say our amendment will weaken our First Amendment rights. Mr. Chairman, I have more faith in the strength of the Constitution and in the common sense of the American people than to believe that the First Amendment can be weakened by protecting the flag from desecration.

You can say anything you want to about the flag. Our amendment in no way infringes upon even one small part of that right.

You can write anything you want to about the flag, so long as the writing is not itself on the flag in such a way that it physically desecrates the flag itself.

You can express yourself anyway you want—so long as your expression doesn't physically desecrate the flag.

Far from prohibiting free expression against the government, this amendment simply places the flag above and beyond the almost endless variety of means through which political dissent can be made.

We are not, as some suggest, "amending the Bill of Rights". Just like the First Amendment itself and the 25 amendments that come after it, our amendment will be to the Constitution as a whole, not to one part of it.

It is the genius of the Founders that the process of amending the Constitution demands scrutiny at many levels, ensuring that what we finally agree to, will be the product of our best efforts.

I am convinced that the American system of free debate, the inquiry into history, political philosophy and Constitutional issues, the deliberations in Congress and in the state legislatures not only can be trusted to give us the best answers—they must be trusted.

We shouldn't fear this demanding democratic process—we should recognize its strength and use it.

It has been argued that the fabric of national unity is not threatened by the despicable act of desecrating the flag and that therefore we need no amendment to protect the flag. After all, it is argued, how often do we have flag-burnings? Very rarely. Why all the fuss?

Whether one flag is burned or 5000 flags, the objection is still the same: a national symbol of unique reverence to Americans is being desecrated.

When you desecrate one flag you desecrate the sacred values which all flags symbolize.

The day this country begins to pass or not to pass laws based on the number of despicable acts, rather than on their nature, we are in big trouble.

Mr. Chairman, let me once again thank you and the members of the Sub-Committee for the opportunity to present our views.

REMARKS OF HON. G.V. MONTGOMERY, CIVIL AND CONSTITUTIONAL RIGHTS SUBCOMMITTEE

I want to thank the chairman of the subcommittee, Don Edwards and the ranking minority member, Jim Sensenbrenner, for giving Bob Michel and myself the opportunity to present our resolution that calls for a constitutional amendment to prevent the physical desecration of the flag. Mr. Chairman, we are asking you to give us the chance to bring this resolution to the House floor for a vote this summer.

I am glad to be with Bob Michel today because this is not a Democrat or Republican issue. Members of both sides of the aisle have expressed their disappointment with the Court decision. This is a bi-partisan effort.

After being home over the July 4th district work period, I am convinced more than ever that we need to take action. Support for this change was universal. It came from people in all walks of life and in every age group. The people of this country are upset about what the Court has done. We have to take action, otherwise people will be burning flags throughout the country on every holiday occasion. That is a terrible message to be sending to Americans, young and old. And it is the wrong message to be sending around the world to people who respect the flag as a symbol of freedom and democracy. Mr. Chairman, if we don't do something, I fear that Americans, and especially veterans groups, are going to stop the desecration of the flag in their own way and people are going to get hurt.

The last time the American flag was officially ordered burned was just before the Island of Corregidor fell to the Japanese in World War II. The colors were ordered burned to prevent the flags from falling into enemy hands. That very proper action was taken by men who were proud to defend the flag. They would not be so proud today to learn that the Supreme Court says it is also OK to burn the flag on any street corner in America as a form of legitimate protest. I think that is just plain wrong.

From childhood, we are taught respect for the flag. I haven't forgotten my Boy Scout training that taught me not to let the flag touch the ground and that it should be properly folded when not flying. I am concerned that this Court ruling has tarnished that respect and we are pursuing this amendment to restore it.

As Judge Bork said, the Supreme Court went too far in saying it was OK to burn the flag. The flat is the symbol of our country. Burning it is wrong. People don't carry the Constitution around with them, but they do carry and fly the flag, which represents the freedoms guaranteed in that Constitution. It also represents the sacrifices of those one million Americans who died in battle and the millions more wounded, many of whom we see every day on the steps of the U.S. Capitol. And you can't tell the loved ones of those killed in service that the flag draped over that casket doesn't mean something special.

This amendment is tightly drawn to protect the first amendment while still protecting the flag from desecration. We are not actually amending the bill of rights. We are amending the Constitution as a whole. You would be hard pressed to find someone out in the country who thinks their first amendment rights are being harmed by preventing the physical desecration of the flag.

I am sure there are those who can find some things wrong with this amendment, but we believe it will stop the burning of the flag and that is what the majority of the American people want done.

We have been told by those who have studied the issue that the Court ruling is so broad in its coverage that any statute enacted by Congress or the States would probably be quickly struck down in the district courts. That is why we think the constitutional amendment route is the right way to go.

Our forefathers set aside a vehicle by which the Constitution could be amended,

and it has been done 26 times. We are here today asking your to allow that amendment process to work again.

I hope your committee will give us the opportunity to vote on this amendment on the floor of the House of Representatives, I don't believe that is an unreasonable request.

FURTHER INROADS INTO THE BUYING OF AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. MARTINEZ] is recognized for 30 minutes.

Mr. MARTINEZ. Mr. Speaker, no Representative enjoys receiving news that there will be a major layoff of workers in his or her district, especially when it is moving jobs from a district already suffering major job loss and at the same time removing a contract from an American subcontractor to a foreign one, making further inroads into the buying of America. One of our own major U.S. corporations, is a coconspirator in this move to weaken an American firm's defense contracting ability.

For this reason I bring these events to the attention of my colleagues and the American public. The situation I am referring to displays a shameful clash between the intent of American people and the intent of a foreign firm which is disregarding U.S. interests in favor of their own bid to become a major defense contractor in this country.

I recently spoke on the floor of the House of Representatives about the $4.3 billion Mobile Subscriber Equipment [MSE] Program. Unless action is taken quickly by the United States Army or by the prime contractor, GTE, our country is about to become entirely dependent on a French firm, Thomson-CSF, for the success of this program that is so critical to our national defense. Thomson-CSF is in the process of moving the contract from an American-owned company, which employs American workers, to a French-owned company. The American firm, is currently successfully producing the VHF radio subsystem to the MSE, which lies at the heart of the system. While Wilcox currently manufactures other systems for U.S. Army contracts, they have never produced even a single one of these radios. In other words Wilcox will be starting the VHF radio subsystem from scratch, costing an exceptional amount of time and money to start up manufacturing, as opposed to continuing the contract with the current manufacturer. Why would Thomson want to go to all this trouble unless they are trying to become major players in America's defense industry.

Thomson-CSF, and its United States subsidiary, Wilcox, are companies that are owned by the French Government, the same government that refused to let our fighters fly over their air space during the United States raid on Libya. How many of my colleagues feel that the people of this great country would support a move which would relinquish control of the key component to the MSE Program to that very same government. I doubt if any American could say such a move represents the best interests of this Nation. Yet, the Department of the Army, which has been formally notified of these proceedings, appears to be content to allow its decision to be based on only one section of the law; a section which simply asks if the new firm is certifiable with regard to production capability. The Army will not even check Wilcox's quality capability because proof of quality would not be expected until after production is started at Wilcox.

I fail to understand why we are allowing Thomson to end its relationship with the U.S. contractor which is delivering a quality product, ahead of contract schedule, in favor of setting up a new radio manufacturing site in Thomson's wholly owned subsidiary, Wilcox Electric.

This subsidiary has no experience whatsoever producing such radio equipment and does not even carry the most basic DOD quality rating. I ask you—if you and I are compelled by our sense of duty to be concerned that our Armed Forces are equipped adequately in order to carry out the defense of our country, then is it not also appropriate that our own Government be as concerned about the American defense industry that will ultimately be the only ones that our country can count on in case of a national emergency?

I am extremely dismayed that we do not own any design rights on this radio, as we appear content to become totally dependent on a French company for these radios. One must question who's interests are being served here. I ask you to examine some of the facts in this case:

Someone was concerned enough about this French dependency issue that the original contract award was based on a claim to have an independent United States VHF radio manufacturing company online within the first option year. The U.S. manufacturer doing this work, again successfully, is an American-owned company.

The American company is online delivering a quality product ahead of schedule. The Army has recently reported to me, and I quote:

> The company deliveries are ahead of their current delivery requirements, and there appears to be little risk that they will not successfully meet the remainder of the required deliveries.

Thomson is proposing replacing this company with Wilcox Electric, their own U.S. subsidiary, starting with a "bare floor factory". Wilcox has no radio manufacturing facilities nor a trained workforce, while NavCom already has both of these major factors fully operational.

The government/prime contract specifically states, and I quote directly from page 478 of the contract, "expenditures for services produced by a foreign national in a foreign nation shall not be considered U.S. nor shall expenditures for services of a U.S. national working for a foreign subcontractor be considered U.S." Yet, I have recently been advised by the Army, in writing, that they consider Wilcox as U.S. content as far as this contract is concerned.

While I can understand Thomson acting in a self-interest manner, I cannot understand why our prime contractor is backing them in this matter. The prime contractor's position has been that since they can not be held legally responsible for Thomson's move, they will do whatever their subcontractor wants. This lack of accountability by the prime contractor is downright disgraceful and disingenuous. I call on them to oppose Thomson's decision, and prove themselves to be a responsible U.S. corporation which protects American capability, and which will show its trust and pride in U.S. commodities. After all they were given the Army contract in the first place based on their agreement to a 76 percent American content clause; 76 percent of all money allocated by the contract must be spent on American components. Will they meet this 76 percent requirement if Thomson moves the contract to Wilcox? The answer is probably yes if the Army defines Wilcox as U.S. content. All the evidence you have just read however, shows that Wilcox clearly is not U.S. content. Where will the profits go to if Wilcox is the manufacturer for the MSE radio unit?

The answer is France. The intent of the government contract was to keep U.S. money in the United States. This will not occur if Wilcox counts as U.S. production content.

In this period where it has become so important to protect United States interests to preserve our economy, how can we allow the French or any other foreign corporation to keep taking money out of this country, particularly when there is a growing concern by most Americans about whats happening to American companies and American competitiveness? I'm asking the people of this great country to speak up for American industry and stop helping the French to pillage our economy. We should define Wilcox as it should be defined: a French manufacturer. I am sure that many of you that I address today must be questioning the motives of the foreign manufacturer.

It is inconceivable that anyone finds such a move in the best interest of our

economy, our Nation's defense, our defense industry, or our American workers. How will we, the Representatives of the people of the United States, feel if the United States Army may no longer acquire the radios which lay at the heart of our battlefield tactical communications system due to the whims of the French Government, and the owners of Thomson. Given that the French will control 100 percent of both the design and production technologies, our solution will not be as simple as flying around French airspace. Maybe there are hidden agendas that cause us to sit by passively while the French systematically paint the United States Army, and one of our own United States companies into a corner.

I plan in the near future to initiate legislative action which will attempt to stop this travesty. I call on my colleagues to support this action which is required to put an end to these very subtle and dangerous activities by foreign intrusion into our defense industries.

In closing Mr. Speaker, I bring to your attention an article entitled "Thomson's French Revolution," which can be found in the June 1989 issue of the British in flight magazine, Business. The magazine is published by Business People Publications, Ltd., as part of the Financial Times, Ltd., of London, England. The article frankly discusses Thomson-CSF's world market strategy, and I believe this is important in helping my colleagues, and all, to judge the notoriousness of this situation for yourselves.

THOMSON'S FRENCH REVOLUTION

During the late 1960s, Alain Gomez and Jean-Pierre Chevènement, both graduates of France's prestigious Ecole Nationale d'Administration, collaborated on a 100-page invective against their élitist Alma Mater. Under a pseudonym, they complained that the training ground for the country's future leaders was class-ridden, and that it made for stagnant government. They wrote a strident book, calling for militant socialism, and founded Ceres, a far-left political party, to practice what they preached.

Two decades later the two still collaborate, only now Gomez heads the state-owned Thomson SA, France's foremost defence and consumer electronics company, and Chevènement, as Socialist minister of defence, is one of his interested shareholders. "Those were childhood follies," Gomez says of the books he wrote under the *nom de plume* Jacques Mandrin. The 1960s radicals have, as so often happens, become part of the system they condemned.

Yet 50-year-old Gomez remains something of a mandrin, or bandit; only today he is considered a capitalist maverick whose bold but risky strategies have taken him to the forefront of French business. In his seven years as head of Thomson, he has transformed a loss-making, nationalistic company into a world leader in two main markets; defence and consumer electronics. Profits for 1988 are expected to top Ffr 2.2 billion (£204.7 million), on sales of Ffr75 billion—40 per cent bigger than sales at GEC, its nearest UK counterpart—with 70 percent coming from outside France.

In defence electronics, Thomson-CSF, with turnover in 1988 of Ffr33.5 billion, ranks number two in the world behind General Motors; in consumer electronics, only Philips of the Netherlands and Japan's Matsushita are bigger than Thomson Consumer Electronics, which accounts for 43 per cent of the group's total sales. In 1987, the division doubled in size when Gomez went on a mega-shopping spree, buying RCA from General Electric in the US for about $800 million, and Ferguson from Thorn EMI in the UK for £90 million. In April, another division, SGS Thomson Microelectronics, acquired Inmos, Thorn EMI's technically brilliant but costly microelectronics operation, in an asset swap. Thomson also sells white goods, to the tune of Ffr6 billion in 1987.

In 1982, when President François Mitterrand's Socialists nationalized most of France's largest businesses, including Thomson, few would have given the company the least chance of success. Thomson was a sprawl of ill-thought-out diversification that made the Harrods sale look orderly. It produced everything from light-bulbs, medical equipment, computers and televisions to radars, semiconductors, washing machines, toasters and missile platforms; 23 product areas in all. In the process it racked up losses of more than Ffr1 billion. The challenge was to take a company that typified the stodgy, bureaucratic style of French business, and turn it into a lean, mean fighting machine.

Gomez, then aged 43, was one of Mitterrand's more spectacular choices to lead a newly nationalized industry. The transformation from left-wing radical to corporation commander happened abruptly. Though Chevènement continued his association with Ceres, Gomez abandoned his Marxist intellectualizing for the industrial battlefield only a few years after the party was founded. Today, in his office, he keeps a Japanese samurai helmet rather than a copy of *Das Kapital*.

The grandson of a Spanish anarchist who moved to Paris during the first world war, Gomez sported credentials that went beyond his flirtation with radical socialism to the heart of the French social hierarchy: he had attended one of the best universities, of *grandes écoles*—l'Institut d'Etudes Politiques—studied law and, most important, was an *énarque*, as graduates of the Ecole Nationale d'Administration are called.

ENA was started after the second world war expressly to train future national leaders. At the time Gomez and Chevenement wrote their critique of the school, most ministerial positions and leading cabinet posts were held by *énargues*. They still are. In his book, *The French*, historian Theodore Zeldin writes: "ENA suggests that power is now something ordinary people can expect even to touch . . . it has given the routine business of training civil servants the aura of an organized conspiracy, and so acquired many of the traditional trappings and myths of a secret society."

Gomez graduated 11th in his class, qualifying for a post as government inspector of finances, the first rung on the ladder to the top. But after four years in government, he opted for industry, attending Harvard Business School and, in 1970, joined the ailing glass manufacturer St Gobain as an auditor. For 12 years he trouble-shot his way through the company, returning one division after another to profitability. Primed by his Harvard experience, Gomez started introducing such un-French policies at St Gobain as freezing wages to cut costs. His reputation was heightened by his playboy good looks and personal life-style: he often rode a motorcycle to work and his wife at the time, Francine, was president of the prestigious Waterman pen company. The couple emanated an aura of modern success. (Today Gomez is remarried, to a former Thomson press officer.)

But even the disarray he found at St Gobain failed to prepare Gomez for Thomson. Over the years since it was founded in 1893, the company had moved far beyond the electricity patents it had been set up to exploit. (The same patents, registered by physicists Elihu Thomson and Edwin M. Houston of the Thomson Houston Electric Corporation in Connecticut, were used to found GEC in the UK and AEG in Germany.) In 1966, the company added automobiles and domestic appliances to its range of activities by merging with Hotchkiss-Brandt. Two years later the acquisition of Compagnie Générale de TSF—which became a separate subsidiary called Thomson-CSF—bolstered the company's prowess in radio communications, components and high technology.

When he joined Thomson in 1982, Gomez described his charge as a replica of the Austro-Hungarian empire, split by rival leaders. The headquarters on the Boulevard Haussann in Paris was a labyrinth of offices filled by *less barons*, senior executives who did little more than dabble in petty power plays. Two camps dominated: Thomson-Brandt, the nominal parent company, of which Gomez was president, and the fiercely independent Thomson-CSF. There was no group strategy, no treasury operation and no controls. Losses that year amounted to about Ffr1 billion. When Gomez received the 1983 financial report from Thomson-CSF, which employed more than 100,000 staff and had sales of Ffr25.8 billion and losses of Ffr812 million, it came on three pages, only one of which bore any figures.

After determining the magnitude of the problem, the reorganization happened swiftly. In less than two years, Gomez cut the headquarters staff of 300 to 30. *Les barons* soon found themselves without fiefdoms. "We moved office three times in almost as many months," on former Thomson information systems manager says. "No one was sure what was going to happen, which parts of the business would be kept, which ones sold.

Finally, in an effort to unify the operation, all headquarters offices moved to a concrete and marble block in La Défense, the commercial district on the western edge of Paris. The buildings make up for their lack of charm with modern efficiency, a solid symbol of Gomez's no-frills style. The company still has no inherent corporate culture, in the manner of IBM, but seven years of cutting and pasting have brought it a long way from the early disorder.

Thomson might no longer be spread thin across the spectrum of industry, but its core businesses are far from stable. With peace creeping across the middle east and perestroika in the Soviet Union, defence budgets are shrinking; at the same time, the cost of producing new weapon systems is rocketing. Not surprisingly, a restructuring of the defence industry is under way. In Europe alone, five companies make on-board radar systems for a market of 800 fighter planes, compared with one consortium in the US for a market of more than 2,000. "There will be two to three major defence companies in

Europe by the end of the century and we want to be a player," Gomez says.

He started clearing the path to this goal in 1983. In an asset swap Gomez passed the company's ailing telecommunications business to Compagnie Générale d'Electricité, whose CIT-Alcatel telecom subsidiary leads the French telecoms market. In return Thomson acquired CGE's military and consumer goods companies, including Sintra, a manufacturer of sophisticated microwave transmission systems.

A happy consequence of this marriage is Rita, a $4.3 billion battlefield communications system for the US army that uses a substantial portion of Sintra technology. When Thomson, partnered by the US company GTE, won the order in 1985, Rita was the largest-ever US military contract based on non-US technology. Even more remarkably, the Reagan administration chose a system supplied by a socialist, state-owned company over rival pitches from Plessey—vaunted by Reagan's ally Margaret Thatcher—and Rockwell International.

Contracts such as Rita and Saudi Arabia's 1984 order for Ffr35 billion of defence equipment (dubbed "Al Takheb") have helped Thomson become Europe's largest defence electronics company, ahead of Daimler-Benz and British Aerospace. Its products range from air traffic control systems to underwater submarine detection devices and high-tech gadgetry. It has developed helmets that use holograms to project images in front of pilots' eyes so that they do not have to look down at control panels; and it makes cameras that see through the dark, enabling helicopters to bob and weave barely a few feet above the ground at night.

The company won 3,300 patents last year to the pride of research and technology director Erich Spitz. Gleefully he relates the story of a South American colonel who tested one of Thomson's battlefield tank simulators. "He said he didn't need the seat belt," Spitz says, "but when the tank was hit the force so knocked him, he broke his arm."

The shake-out of the European defence electronics industry started last year with proposals for the consolidation of Messerschmidt-Bolkow-Blohm (MBB) into Daimler-Benz in West Germany and the Siemens/GEC bid for Plessey. Thomson, despite its size, is at a balance sheet disadvantage to its main competitors. It already has spent Ffr2 billion on restructuring over the past four years and invests what it considers an obligatory 12 per cent of sales on research and development—the industry norm—half of which it finances itself. Thomson claims that most of its competitors pay for up to 80 per cent of their R&D expenses through military contracts. When Gomez looks at the treasure chests of Daimler-Benz (Ffr75 billion), Siemens (Ffr70 billion) and GEC (Ffr15 billion), bristles with envy.

"Daimler-Benz has at its disposal the equivalent of our total sales," he says. Though Thomson has an order backlog equal to two years' turnover, at a time when mega-contracts such as Rita and Al Takheb are few and far between, Gomez does not have that kind of cash and is unlikely to generate it internally. So far the French government has not indicated how far it is willing to help. Rather than compete in the acquisitions game, therefore, Gomez's strategy is to seek alliances or joint ventures.

In 1987 he decided that Thomson's flagging semiconductor operation was to small to compete against Japan and the US, yet too strategic to abandon. The problems were shared by the Italian state-owned semiconductor maker SGS-Microelectronica. The solution was a 50-50 joint venture, SGS-Thomson Microelectronics, that ranks 13th in the world and second in Europe after Philips. It is run by a charismatic Italian, Pasquale Pistorio, who has, Gomez-style, revamped operations across five continents and turned 1987's losses of $131 million into profits of $2.2 million last year.

In April, Pistorio brought Inmos into the fold. Its much-praised 32-bit transputer microprocessor, which Thorn EMI was under-resourced to exploit, fills a gap in SGS-Thomson's product line. Unlike traditional microprocessors, transputers can be linked to build a system as powerful as today's supercomputers, at a fraction of the cost. In an asset swap, Thorn EMI took 10 per cent of the SGS-Thomson holding company and agreed to put up $10 million of the next $100 million of capital infusion from the French and Italian parent companies.

In aerospace, Thomson has teamed with France's Aerospatiale. The combination will make France fourth in the world market for flight electronics, but still a long way behind the leader, Honeywell Commercial Flight Systems Group, with its sales of $7.1 billion. Talks with British Aerospace are also under way. However, when it comes to the Rafale fighter plane, which will replace the Mirage 2000—the French state remains traditionally isolationist. Though analysts estimate that producing the 330 Rafales ordered by the French military will cost the state $17 billion, and while critics believe France cannot afford the project, the government has refused to join the UK in the four-country European Fighter Aircraft (EFA) consortium working on a rival project. EFA expects to take orders for 800 planes within Europe alone. To Gomez the situation represents a lost market for Thomson's radar systems, which he dearly wants to fit to non-French fighter planes.

In consumer electronics, Thomson faces different problems. After making money consistently into 1983, the division baulked in the face of world recession. The state, as shareholder, had *suggested* strongly that Thomson should continue to make hi-fi equipment in Europe rather than go offshore as its competitors had done—a proposal that strained the bottom line still further. In personal computers, though Thomson easily secured the contract to supply more than 100,000 systems to French schools, its product—technically inferior and not IMB-compatible—bombed in the free market.

Gomez ordered an audit of the company's consumer businesses. At the same time he held talks with potential buyers. The names Daiwoo and Toshiba appeared in the press, though Thomson denied it ever intended to bow out of the business. "We were always looking to expand," Pierre Garcin, chairman of Thomson Consumer Electronics, maintains. Its commitment was underlined when Thomson bought Ferguson from Thorn EMI and swapped its medical equipment business for General Electric's RCA.

"It had been an uncertain time for us until RCA," says André Lefèvre, who runs Seipel, Thomson's television manufacturing company at Angers in the Loire Valley. Seipel felt Gomez's restructuring keenly. A 77-year-old factory making personal computers in Saint-Pierre-Montlimard, outside Angers, was sold, and automation and modernization cost 1,500 jobs at the main Seipel factory. Today, Seipel employs 1,450 people and Thomson holds 23 per cent of the US television market and almost 20 per cent of the UK market. In West Germany, despite a reputation as a job killer after it took over Telefunken and shut down a factory, Thomson has a 22 per cent share.

The challenge facing the division is to integrate all the newly acquired operations and stay price competitive with Japan and South Korea. Last July, Garcin reorganized the consumer electronics operation, underscoring Thomson's evolution from a French company that has international business, into a true multinational. Instead of managing subsidiaries as independent units, Garcin developed a corporate structure along product lines, eliminating layers of administration and duplication of duties. Televisions are managed worldwide—for Ferguson in the UK, Telefunken in West Germany and RCA in the US—from RCA's base in Indiana. Similarly, audio-equipment for the group is controlled from Paris, research and development from West Germany.

Garcin cannot afford to stumble. The battle in the market-place waits for no one. Prices of televisions and video cassette recorders fall on average by 20 per cent a year, whereas component prices drop by 5 per cent; so far the Japanese and Koreans have proved better than their western competitors at lowering their overheads.

One key to success will be the arrival of high-definition television (HDTV), a sector where Thomson is already a leading player. It could produce a replacement market for 600 million television sets in the 1990s, and for the millions of screen-based computer systems. Existing televisions in Europe use a matrix of 625 lines that gives a somewhat fuzzy image. The goal is to double the density of the lines and sharpen the picture. The Japanese have a system that uses 1,125 lines; Thomson and Philips, refusing to cede yet another lucrative market to the Far East, and backed by the European Commission's Eureka programme, have together demonstrated a system based on 1,250 lines. Helped by David Sarnoff Laboratories, a jewel in RCA's crown, Thomson is among 17 companies bidding to develop the US standard. When the dust settles, probably not before the middle of the 1990s, there will be three world HDTV standards, with Thomson playing a role in perhaps two.

Despite the fierce competition and uncertain future of defence and consumer electronics, Gomez says the company had no choice but to concentrate on the two markets. "We sold businesses that needed cash and had no hope of returning satisfactory results," he says. "You have to lead the battle from the front." But a closer look at Thomson's income statement reveals that its star profit performer has nothing to do with making televisions or building missile platforms. Thomson-CSF Finance, with its subsidiaries Société de Banque Thomson and Batif Banque, provided almost two thirds of 1988's net income. The fact that the group employs only 200 people has raised eyebrows, particularly among trade unions. "The money being made comes through financial operations that are not creating jobs," says Gérard Lecoz, who represents the dominant union at Thomson. (Out of a workforce of 104,000, the company expects to cut 9,000 posts by the end of 1989.)

The controversy over Thomson-CSF Finance centres on the nature of what makes a contemporary industrial company. Gomez maintains that business is undergoing fun-

damental change and the finance is as legitimate a market sector as any. With that in mind, in 1982 he hired economics specialist Jean-Francois Hénin to develop Thomson's then non-existent treasury function. Hénin started his career managing the finances at aluminium giant Pechiney and computermaker Bull. Since his move to Thomson he has created a high-performance financial empire from scratch.

Today Société de Banque Thomson manages the treasury needs of the company as a whole and Batif Banque works on its own account in arbitrage, brokering, barter and venture capital. Batif, which employs only 27 staff, posted a net profit of Ffr800 million in 1988, double the previous year's results. None of its venture investments is losing money. The turnover of one, Concept, founded to market the sophisticated financial software developed by Thomson in its "laboratory of financial techniques", has grown from Ffr30 million in 1984 to an estimated Ffr2 billion this year.

Thomson-CSF Finance's nerve-centre is on the third floor of a nondescript office building near the Arc de Triomphe. Its three banks of consoles, each housing 14 computer screens, track the international money markets 24 hours a day. A cadre whose average age in under 30 manipulates a multi-billion franc treasury. One floor below, 44-year-old Hénin, whose soft-spoken affability sets him apart from the tightly-wound Gomez, watches over the operation.

Only careful management of funds, Hénin maintains, can keep companies from losing in the foreign exchange markets what they earn through core activities. The nature of Thomson's defense business, for example, makes it necessary for the company to bid on multi-year contracts such as Al Takheb. The first payment on the project, in dollars, arrived when the dollar was worth Ffr10. Now it changes at Ffr6.50.

"The group lives with $3 billion to $4 billion in its porfolio," Hénin explains. "A variation of one cent in the dollar's exchange rate represents Ffr30 million for $3 billion." He hedges his investments through arbitrage, loan swaps and foreign exchange dealings. When the validity of Thomson's finance operation is raised, executives point to losses at British Aerospace in 1987 as proof of the need for a sophisticated treasury.

Critics of Thomson's financial operations point out that not all Hénins' market calls have been successful. Last year one of his dealers was marooned with Ffr400 million in a Saudi Arabian bank that went bankrupt. The group was also mentioned in two financial scandals, though it has little to do with either. "The criticism is mainly brought on by jealousy," says Jean Lecaze, a director of Manufacturers Hanover Bank in Paris.

Jean Mizrahi, technical adviser to the ministry of industry, says: "One could question whether the financial operation should stay as it is or develop relations with banks so Thomson does not become more centred on finance than industry." The state, he adds, would not force Thomson's hand.

Nevertheless, the controversy reached such a pitch this spring that press reports speculated that Gomez will need all his pull in high places to be reconfirmed as Thomson's chairman when his job is reviewed this month. The posts of state industry chiefs are reviewed every three years. In 1985, when Jacques Chirac became prime minister, he replaced 12 of the 25 chairmen of France's largest companies with businessmen who were faithful to his right-wing cause. Much to everyone's surprise, the socialist Gomez was left in place, testament to the success of his restructuring.

Whether or not Gomez stays, the question remains: can a French, state-owned company meet the might of the U.S. in a shrinking defense market and also survive the bite of the Japanese consumer electronics pacmen? Thomson is, thanks to Gomez's streamlining, one of the fittest competitors in its chosen industry segments. The French government would never let in fail, but its success could hang in the balance if Gomez were dethroned in a political powerplay.

"When a company is in good health, that attracts interested detractors," Gomez says, "When it is in a bad state, people say you have to reprimand the managers; when it is doing middling well, they say you should be better, or that someone could do better."

He treats the furore about reconfirmation with nonchalance. "Do I look worried?" He asks, sitting back, arms outstretched, eyes smiling, jaw firmly set.●

Mr. Speaker, are we in Congress of smoke and mirrors? We write language which supposedly protects our industry from foreign invasion, and call it U.S. content, but what does that mean unless we define U.S. content?

The success of corporate America depends on its ability to protect our own industries from unfair practices from abroad. To that end, Government contracts include U.S. content clauses in any contract where there are foreign interests at work. Are these clauses necessary because there is no national patriotism in corporate America?

To remain in stride with congressional intent, the Army formulated a defense contract with GTE which contained a 76-percent U.S. production content "Buy American" clause. The clause clearly states that only an American owned subcontractor with American employees can be considered U.S. content. A foreign owned subcontractor with American employees is not to be considered U.S. content. But more, the Army says that the language is ambiguous. Is it? No. So let's put it into law.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. McEWEN) to revise and extend their remarks and include extraneous material:)

Mr. GEKAS, for 5 minutes, today.

Mrs. BENTLEY, for 60 minutes, each day on July 17, 20, and 24.

Mr. COMBEST, for 30 minutes, today.

Mr. MICHEL, for 60 minutes, today.

Mr. McEWEN, for 5 minutes, today.

(The following Members (at the request of Mr. CLEMENT) to revise and extend their remarks and include extraneous material:)

Mr. ROSTENKOWSKI, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mrs. LOWEY of New York, for 15 minutes, today.

Mr. SKELTON, for 60 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. MARTINEZ, for 30 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. SCHUMER, in support of H.R. 2022, before vote in House today.

(The following Members (at the request of Mr. McEWEN) and to include extraneous matter:)

Mr. GILMAN in three instances.
Mr. SCHAEFER.
Mr. McEWEN.
Mr. HEFLEY.
Mr. HANSEN.
Mr. SAXTON.
Mr. GEKAS.
Mr. MILLER of Ohio.
Mr. SENSENBRENNER.
Mr. SOLOMON.
Mr. GALLO.
Mr. BUECHNER.
Ms. SCHNEIDER.
Mr. PORTER.
Mr. BAKER.
Mr. BEREUTER.
Mr. LAGOMARSINO.

(The following Members (at the request of Mr. CLEMENT) and to include extraneous matter:)

Mr. LAFALCE.
Mr. FLORIO in two instances.
Mr. MARTINEZ.
Mr. FASCELL in two instances.
Mr. LIPINSKI.
Mr. BATES.
Mr. SKELTON.
Mr. WEISS.
Mr. WHITTEN.
Mr. FEIGHAN.
Mr. DINGELL.
Mr. BONIOR.
Mr. PAYNE of New Jersey.
Mr. CARR.
Mr. KLECZKA.
Mr. STARK in two instances.
Mr. HOYER.
Mr. DARDEN.
Mr. DYSON.
Mr. CARDIN.

ENROLLED BILL SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker.

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

SENATE ENROLLED JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to enrolled joint resolutions of the Senate of the following titles:

S.J. Res. 95. Joint resolution to designate the week of September 10, 1989, through September 16, 1989, as "National Check-Up Week," and

S.J. Res. 137. Joint resolution designating January 7, 1990, through January 13, 1990, as "National Law Enforcement Training Week."

ADJOURNMENT

Mr. MARTINEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 54 minutes p.m.) under its previous order, the House adjourned until Monday, July 17, 1989, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1443. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 8-58, "Closing of a Public Alley in Square 2960, S.O. 87-273, Act of 1989," and report, pursuant to D.C. Code section, 1-233(c)(1); to the Committee on the District of Columbia.

1444. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 8-59, "Guardianship, Protective Proceedings, and Durable Power of Attorney Revision Amendment Act of 1989," and report, pursuant to D.C. Code section, 1-233(c)(1); to the Committee on the District of Columbia.

1445. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 8-57, "Conveyance of the Jewish Community Center Act of 1989," and report, pursuant to D.C. Code section, 1-233(c)(1); to the Committee on the District of Columbia.

1446. A letter from the Auditor, District of Columbia, transmitting a copy of the report entitled, "Follow-up Compliance Audit of the Escheated Estates Fund," pursuant to D.C. Code section, 47-117(d); to the Committee on the District of Columbia.

1447. A letter from the Assistant Secretary of State for Legislative Affairs; transmitting copies of the original report of political contributions for Evelyn Irene Hoopes, Ambassador Extraordinary and Plenipotentiary-designate of the United States to Fiji, to the Kingdom of Tonga, to Tuvalu and to the Republic of Kiribati; for Alexander Flecther Watson, Deupty Representative-designate of the United States to the United Nations; for Jerry Alexander Moore, Jr., Ambassador Extraordinary and Plenipotentiary-designate to the Kingdom of Lesotho; for Michael G. Sotirhos Ambassador Extraordinary and Plenipotentiary-designate to Greece; for Eric M. Javits, Ambassador Extraordinary and Plenipotentiary-designate to the Republic of Venezuela; for Raymond Charles Ewing, Ambassador Extraordinary and Plenipotentiary-designate to the Pepublic of Ghana; and for Thomas F. Stroock, Ambassador Extraordinary and Plenipotentiary-designate to the Republic of Guatemala, and members of their family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1448. A letter from the Secretary, Department of Transportation, transmitting a report on the protection of the Channel Islands National Marine Sanctuary, pursuant to Public Law 100-627, section 209(a)(b) (102 Stat. 3222; to the Committee on Merchant Marine and Fisheries.

1449. A letter from the Secretary of Commerce, transmitting the first biennial report on the extent to which Federal agencies are using the authorities vested in them by the Federal Technology Transfer Act of 1986, pursuant to 15 U.S.C. 3710; to the Committee on Science, Space, and Technology.

1450. A letter from the Secretary of the Interior, transmitting a copy of the annual report for fiscal year 1988 covering the Outer Continental Shelf [OCS] Oil and Gas Leasing and Production Program administered through the Minerals Management Service, pursuant to 43 U.S.C. 1343; jointly, to the Committees on Interior and Insular Affairs and Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WHITTEN: Committee on Appropriations. H.R. 2883. A bill making appropriations for rural development, agriculture, and related agencies programs for the fiscal year ending September 30, 1990, and for other purposes (Rept. 101-137). Referred to the Committee of the Whole House on the State of the Union.

Mr. DERRICK: Committee on Rules. House Resolution 198. Resolution providing for the consideration of H.R. 1549, a bill to authorize appropriations for the Nuclear Regulatory Commission for fiscal years 1990, and 1991, and for other purposes (Rept. 101-138). Referred to the House Calendar.

Mr. BONIOR: Committee on Rules. House Resolution 199. Resolution providing for the consideration of H.R. 1484, a bill to establish a National Park System Review Board, and for other purposes (Rept. 101-139). Referred to the House Calendar.

Mr. BEILENSON: Committee on Rules. House Resolution 200. Resolution providing for the consideration of H.R. 828, a bill to authorize appropriations for programs, functions, and activities of the Bureau of Land Management for fiscal years 1990, 1991, 1992, and 1993 (Rept. 101-140). Referred to the House Calendar.

Mr. DINGELL: Committee on Energy and Commerce. H.R. 1056. A bill to amend the Solid Waste Disposal Act to clarify provisions concerning the application of certain requirements and sanctions to Federal facilities; with an amendment (Rept. 101-141). Referred to the Committee of the Whole House on the State of the Union.

Mr. FORD of Michigan: Committee on Post Office and Civil Service. H.R. 1860. A bill to provide that a Federal annuitant or former member of a uniformed service who returns to Government service, under a temporary appointment, to assist in carrying out the 1990 decennial census of population shall be exempt from certain provisions of title 5, United States Code, relating to offsets from pay and other benefits; with amendments (Rept. 101-142). Referred to the Committee of the Whole House on the State of the Union.

Mr. FORD of Michigan: Committee on Post Office and Civil Service. H.R. 2802. A bill to amend title 39, United States Code, and associated provisions of other laws, to make technical and perfecting corrections and for other purposes (Rept. 101-143). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WHITTEN:

H.R. 2883. A bill making appropriations for rural development, agriculture, and related agencies programs for the fiscal year ending September 30, 1990, and for other purposes.

By Mr. COMBEST (for himself, Mr. BARNARD, Mr. DANNEMEYER, Mr. DORNAN of California, Mr. EMERSON, Mr. GOODLING, Mr. IRELAND, Mr. LAGOMARSINO, Mr. LEATH of Texas, Mr. DONALD E. LUKENS, Mr. MCEWEN, Mr. NIELSON of Utah, Mr. OXLEY, Mr. RITTER, Mr. ROBINSON, Mr. ROBERTS, Mr. DENNY SMITH, Mr. SMITH of New Hampshire, Mr. STANGELAND, Mr. STENHOLM, Mr. UPTON, Mr. VALENTINE, and Mr. WALKER):

H.R. 2884. A bill to replace the Legal Services Corporation with a Legal Services Administration in the Office of Justice Programs of the Department of Justice, and for other purposes; to the Committee on the Judiciary.

By Mr. GILMAN:

H.R. 2885. A bill to amend title 5, United States Code, to establish the appropriate grade and rates of pay for certain administrative law judges; to the Committee on Post Office and Civil Service.

By Mr. ACKERMAN (for himself and Mr. HOYER):

H.R. 2886. A bill to amend title 5, United States Code, to authorize the continuation of the performance management and recognition system through the end of fiscal year 1995, and for other purposes; to the Committee on Post Office and Civil Service.

By Mrs. BENTLEY:

H.R. 2887. A bill to protect and promote the American merchant marine by shipping U.S. mail exclusively aboard U.S.-flag vessels; jointly, to the Committee on Post Office and Civil Service and Merchant Marine and Fisheries.

By Mr. BROWN of Colorado (for himself and Mr. SISISKY):

H.R. 2888. A bill to provide an annuity to certain surviving spouses and dependent children of Reserve members of the Armed Forces who died between September 21, 1972, and September 30, 1978; to the Committee on Armed Services.

By Mr. CAMPBELL of California (for himself, Mr. MATSUI, Mr. JACOBS, Mr. GREEN, and Mr. STARK):

H.R. 2889. A bill to amend the Internal Revenue Code of 1986 to increase the tax on leaded gasoline; to the Committee on Ways and Means.

By Mr. COSTELLO:

H.R. 2890. A bill to redesignate the Federal buildings and courthouse located in East St. Louis, IL, as the "Melvin Price Federal Courthouse"; to the Committee on Public Works and Transportation.

By Mr. DEFAZIO:

H.R. 2891. A bill to amend the Federal Aviation Act of 1958 to prohibit the acquisition of a controlling interest in an air carrier unless the Secretary of Transportation has made certain determinations concerning the effect of such acquisition on aviation safety; to the Committee on Public Works and Transportation.

By Mr. DERRICK:

H.R. 2892. A bill to amend the Congressional Budget and Impoundment Control Act of 1974 to exclude receipts and disbursements of the Social Security trust funds from the calculation of Federal deficits and maximum deficit amounts and to amend provisions of such act relating to floor consideration of budget resolutions, and for other purposes; jointly, to the Committees on Government Operations and Rules.

By Mr. FRANK:

H.R. 2893. A bill to amend the Internal Revenue Code of 1986 to require 5 year vesting for employees in the multiemployer plan who are covered pursuant to a collective-bargaining agreement; to the Committee on Ways and Means.

By Mr. HALL of Texas:

H.R. 2894. A bill to remove a limitation on the amount of acre-feet of water annually supplied to the city of Denison, TX, from Lake Texoma; to the Committee on Interior and Insular Affairs.

H.R. 2895. A bill to continue the authorization for the flood protection project for the east fork of the Trinity River, TX; to the Committee on Public Works and Transportation.

By Mr. HEFLEY:

H.R. 2896. A bill to authorize the Secretary of the Interior to construct, operate, and maintain a water treatment plant for the purpose of treating water discharged from the Leadville Mine Drainage Tunnel near Leadville, CO, in order to meet water quality standards, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HERTEL (for himself, Mr. BILBRAY, Mr. BENNETT, Mr. BEILENSON, Mr. PENNY, Mr. DONNELLY, Mr. FOGLIETTA, Mrs. BOXER, Mr. BRYANT, Ms. PELOSI, Mr. ATKINS, Mr. KLECZKA, Mr. CAMPBELL of Colorado, Mr. AUCOIN, Mr. VENTO, Mr. DELLUMS, Mr. LEWIS of Georgia, Mr. KILDEE, Mr. MFUME, Mr. HUGHES, Mr. TRAXLER, Ms. SLAUGHTER of New York, Mr. TRAFICANT, Mr. WOLPE, Mr. BATES, Mr. SMITH of Florida, Mr. SABO, Mr. BROWN of California, Mr. LELAND, Mr. CARR, and Mr. STAGGERS):

H.R. 2897. A bill to amend title 10, United States Code, to establish in the Department of Defense a system for defense acquisition under which all acquisition functions of the Department of Defense shall be performed, and for other purposes; to the Committee on Armed Services.

By Mr. HOPKINS:

H.R. 2898. A bill to amend title 5, United States Code, to provide that Federal employees who are voluntarily or involuntarily separated from service as a result of the closure or realignment of a military installation under title II of the Defense Authorization Amendments and Base Closure and Realignment Act shall be eligible for early retirement; to the Committee on Post Office and Civil Service.

By Mr. KOLBE:

H.R. 2899. A bill to amend title 28, United States Code, to make certain positions on the U.S. Sentencing Commission part time beginning October 1, 1989; to the Committee on the Judiciary.

By Mr. McEWEN:

H.R. 2900. A bill to certify that charges and fees may be collected in connection with foreign trade zones at certain small airports; to the Committee on Ways and Means.

By Mr. MURPHY (for himself and Mr. HAWKINS):

H.R. 2901. A bill to amend the act of March 3, 1931 (known as the Davis-Bacon Act) to revise the standard for coverage under that act, and for other purposes; to the Committee on Education and Labor.

By Mr. SAXTON:

H.R. 2902. A bill to amend title 39 of the United States Code to grant local governments the discretion to assign mailing addresses to sites within their jurisdiction; to the Committee on Post Office and Civil Service.

By Mrs. SMITH of Nebraska (by request):

H.R. 2903. A bill to amend the Solid Waste Disposal Act to set a lower financial responsibility requirement for certain owners and operators of underground storage tanks; to the Committee on Energy and Commerce.

By Mr. ROSTENKOWSKI:

H.J. Res. 363. Joint resolution to designate 1989 as "United States Customs Service 200th Anniversary Year"; jointly, to the Committees on Post Office and Civil Service and Ways and Means.

By Mr. APPLEGATE (for himself, Mr. McEWEN, Mr. STUMP, and Mr. MONTGOMERY):

H.J. Res. 364. Joint Resolution designating April 9, 1990, as "National Former Prisoner of War Recognition Day"; to the Committee on Post Office and Civil Service.

By Mr. DYSON:

H.J. Res. 365. Joint resolution proposing an amendment to the Constitution of the United States to authorize the Congress to prohibit the misuse and improper display of the flag of the United States; to the Committee on the Judiciary.

By Mr. BROOKS (for himself and Mr. FISH):

H. Res. 201. Resolution providing amounts from the contingent fund of the House for further expenses of investigations and studies by the Committee on the Judiciary in the 1st session of the 101st Congress; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII,

198. The SPEAKER presented a memorial of the House of Representatives of the Commonwealth of Pennsylvania, relative to the use of triple trailers; to the Committee on Public Works and Transportation.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 33: Mr. WISE.

H.R. 40: Mr. PRICE.

H.R. 94: Mr. SHAYS, Mr. MURTHA, and Mr. MATSUI.

H.R. 101: Mr. RICHARDSON.

H.R. 118: Mr. DORNAN of California.

H.R. 160: Mr. HAYES of Illinois, Mr. MARTINEZ, and Mr. JOHNSON of South Dakota.

H.R. 221: Mr. HOAGLAND.

H.R. 215: Mr. HUTTO and Mr. PAXON.

H.R. 237: Mr. FOGLIETTA, Mr. WOLPE, Mr. NEAL of North Carolina, Mr. KOLTER, and Mr. CROCKETT.

H.R. 291: Mr. FROST.

H.R. 293: Mr. LEVINE of California, Mr. GEJDENSON, and Mr. DEFAZIO.

H.R. 377: Mr. FLORIO, Mr. GINGRICH, and Mr. STUMP.

H.R. 378: Mr. FAWELL.

H.R. 418: Mr. BROWN of California and Mr. VENTO.

H.R. 488: Mr. BRENNAN, Mr. CHAPMAN, Mr. FOGLIETTA, and Mr. BEVILL.

H.R. 561: Mr. EVANS, Ms. SCHNEIDER, and Mr. JOHNSON of South Dakota.

H.R. 586: Mr. BOSCO.

H.R. 747: Mr. ALEXANDER, Mr. ENGEL, and Mr. HAWKINS.

H.R. 777: Mr. PURSELL.

H.R. 930: Mr. HORTON.

H.R. 995: Mr. BILBRAY.

H.R. 1030: Mr. HAWKINS.

H.R. 1074: Mr. YATES and Mr. HAYES of Illinois.

H.R. 1181: Mr. RIDGE.

H.R. 1210: Mr. MYERS of Indiana and Mr. WALKER.

H.R. 1268: Mrs. LLOYD, Mr. TORRICELLI, Mr. TRAFICANT, Mr. DYMALLY, Mr. CLEMENT, Mr. JACOBS, Mr. HEFNER, Mr. TALLON, and Mr. MARTINEZ.

H.R. 1281: Mr. WEISS and Mr. PALLONE.

H.R. 1293: Mr. BEREUTER, Mr. LANTOS, Mr. PAYNE of Virginia, Mr. HENRY, Mr. LIPINSKI, Mrs. JOHNSON of Connecticut, Mr. HORTON, Mr. GUARINI, and Mr. WOLF.

H.R. 1612: Mr. HAWKINS, Mr. LEHMAN of Florida, Mr. RANGEL, Mr. BATES, Mr. CROCKETT, Mr. CLAY, Mr. TOWNS, and Mr. LEWIS of Georgia.

H.R. 1661: Mr. FLAKE, Mr. MARKEY, Mr. TAUZIN, Mr. NAGLE, Mr. MCNULTY, Mr. CARPER, Mr. COYNE, Mr. CROCKETT, Mr. FROST, Mr. MOLLOHAN, Mr. GORDON, Mr. ROE, Mr. GILMAN, Mr. AKAKA, Mr. CARDIN, Mr. DE LA GARZA, and Mr. STAGGERS.

H.R. 1691: Mr. LIPINSKI, Mr. SCHEUER, Mr. FUSTER, and Mrs. COLLINS.

H.R. 1730: Mr. PRICE, Mr. WOLF, Mr. DENNY SMITH, Mr. PENNY, Mr. BALLENGER, and Mr. HENRY.

H.R. 1776: Mr. MCCOLLUM.

H.R. 1845: Mr. FAUNTROY and Mr. MARKEY.

H.R. 1860: Mr. BOEHLERT, Mr. ROE, Mr. WOLPE, and Mr. RAHALL.

H.R. 1957: Mr. MACHTLEY.

H.R. 2025: Mr. ACKERMAN.

H.R. 2051: Mr. ROBINSON, Mr. FUSTER, and Mr. STAGGERS.

H.R. 2128: Mr. STARK.

H.R. 2131: Mr. CAMPBELL of California, Mr. FLORIO, Mr. BEREUTER, and Mr. HAWKINS.

H.R. 2168: Mr. PALLONE, Mr. LIPINSKI, Mr. DORGAN of North Dakota, Mr. ROBINSON, and Mr. WILSON.

H.R. 2181: Mrs. LLOYD, Mr. FORD of Tennessee, Mr. MRAZEK, and Mr. DARDEN.

H.R. 2192: Mr. CLINGER.

H.R. 2223: Mr. WALSH, Mr. BONIOR, and Mr. HOCHBRUECKNER.

H.R. 2228: Mr. BEREUTER.

H.R. 2265: Mr. CRAIG.

H.R. 2290: Mr. GRANT, Mr. CLINGER, Mr. EVANS, and Mrs. COLLINS.

H.R. 2380: Mr. LEWIS of California, Mr. FASCELL, and Mr. SMITH of Florida.

H.R. 2395: Mr. HEFLEY and Mr. SIKORSKI.

H.R. 2418: Mr. DICKS, Mr. MILLER of Washington, Mr. MCCURDY, Mr. BATES, Mr. WHITTAKER, Mr. PETRI, Ms. LONG, and Ms. KAPTUR.

H.R. 2445: Mr. SANGMEISTER, Mr. KANJORSKI, Mr. JONTZ, Mr. KENNEDY, and Mr. MORRISON of Connecticut.

H.R. 2493: Mr. TORRES.

H.R. 2507: Mr. FEIGHAN.

H.R. 2546: Mr. KENNEDY.

H.R. 2560: Mr. WHEAT, Mr. ACKERMAN, Mr. TORRES, Mr. FAZIO, Mr. MILLER of California, Mr. MOAKLEY, Mr. FASCELL, Mr. FAUNTROY, Mr. GILMAN, Mr. FROST, Mr. MATSUI, Mr. KASTENMEIER, Mrs. KENNELLY, Mr. FOGLIETTA, and Mr. OWENS of New York.

H.R. 2578: Mr. RANGEL, Mr. MORRISON of Connecticut, Mr. SIKORSKI, Mr. OWENS of New York, and Mr. APPLEGATE.

H.R. 2584: Mrs. BOXER, Mr. LIPINSKI, and Mr. HENRY.

H.R. 2642: Mr. STEARNS and Mr. GIBBONS.

H.R. 2654: Mr. PACKARD, Mr. BROWN of Colorado, and Mr. LIVINGSTON.

H.R. 2682: Mr. BEREUTER and Mr. SLATTERY.

H.R. 2694: Mr. BRENNAN and Mr. NEAL of Massachusetts.

H.R. 2700: Mr. MOLLOHAN.

H.R. 2732: Mr. SMITH of New Hampshire.

H.R. 2734: Mr. WALGREN, Mr. HENRY, Mr. FAUNTROY, Mr. BEILENSON, Mr. BATES, Mr. RICHARDSON, Mr. DE LUGO, Mr. OWENS of New York, Mr. MCGRATH, Mr. PALLONE, Mr. MANTON, Mr. LEWIS of Georgia, Mr. DWYER of New Jersey, Mr. LIPINSKI, Mr. HOCHBRUECKNER, Mr. BEVILL, and Mrs. COLLINS.

H.R. 2794: Mrs. ROUKEMA.

H.J. Res. 47: Mr. AUCOIN, Mr. BARNARD, Mr. BARTLETT, Mr. BATES, Mr. BEREUTER, Mr. BURTON of Indiana, Mr. CRAIG, Mr. CROCKETT, Mr. DANNEMEYER, Mr. DEWINE, Mr. DONNELLY, Mr. FISH, Mr. MCDADE, Mr. MILLER of Washington, Mr. PALLONE, Mr. SKELTON, Mr. TAUZIN, Mr. WOLF, and Mr. YOUNG of Alaska.

H.J. Res. 54: Mr. HOCHBRUECKNER.

H.J. Res. 104: Mr. YOUNG of Florida, Mr. GILMAN, Mr. WYDEN, Mr. SUNDQUIST, Mr. DEFAZIO, Mr. FASCELL, Mr. DORGAN of North Dakota, Mr. OWENS of New York, and Mr. TAUKE.

H.J. Res. 130: Mr. DE LA GARZA, Mr. PALLONE, Mr. BROWN of Colorado, Mr. LEWIS of Georgia, Mr. TOWNS, Mr. ATKINS, Mr. EVANS, Mr. SANGMEISTER, Mr. JONES of Georgia, Mr. HATCHER, and Mr. CHAPMAN.

H.J. Res. 138: Mr. REGULA, Mr. HYDE, Mr. NAGLE, Mr. LEHMAN of California, Mr. BROWN of Colorado, Mrs. BYRON, Mr. COBLE, Mr. ESPY, Mr. MORRISON of Connecticut, Mr. SISISKY, Mr. ATKINS, Mr. MANTON, Mr. MOODY, Mr. LIPINSKI, Mr. HUTTO, Mr. WILSON, Mr. VALENTINE, Mr. BEILENSON, Mr. BUSTAMANTE, Mr. DARDEN, Mr. DYSON, Mr. DOWNEY, Mr. FASCELL, Mr. LELAND, Mr. FEIGHAN, Mr. DICKS, Mr. YATRON, Mr. COLEMAN of Texas, Mr. MARTINEZ, Mr. JONTZ, Mr. CAMPBELL of Colorado, Mr. BRENNAN, Mrs. PATTERSON, Mr. GALLEGLY, Mr. HARRIS, Mr. HERTEL, Mr. MCCLOSKEY, Mr. MARKEY, Mr. MILLER of California, Ms. OAKAR, Mr. ORTIZ, Mr. PANETTA, Mr. NOWAK, Mr. RUSSO, Mr. SAWYER, Mr. SCHEUER, Mr. SCHUMER, Mr. SKAGGS, Mr. SKELTON, Ms. SLAUGHTER of New York, Mr. SMITH of Florida, Mr. STAGGERS, Mr. TORRES, Mr. WELDON, Mr. WOLPE, Mr. WYDEN, Mr. LEVIN of Michigan, Mr. MCHUGH, Mr. DINGELL, Mr. MCCOLLUM, Mr. FUSTER, Mr. LEWIS of California, and Mr. JONES of North Carolina.

H.J. Res. 168: Mr. PAXON.

H.J. Res. 186: Mr. HALL of Texas, Mr. FORD of Michigan, Mr. LELAND, Mr. NIELSON of Utah, and Mr. PORTER.

H.J. Res. 209: Mr. WALGREN, Mr. MCDADE, Mr. CLARKE, Mr. MCCLOSKEY, Mr. MILLER of California, Mr. MURPHY, Mr. PALLONE, Mr. BLAZ, Mr. SOLARZ, Mr. PAXON, Mr. RINALDO, Mr. ROE, Mr. PAYNE of New Jersey, Mr. RAVENEL, Mr. PASHAYAN, Mr. SCHEUER, Mr. SKEEN, Mr. SAVAGE, Mr. TOWNS, Mr. TRAFICANT, Mr. TAUKE, Mr. WEISS, Mr. TRAXLER, Mrs. ROUKEMA, Mr. MORRISON of Washington, Mr. AUCOIN, Mr. RANGEL, Mr. SAWYER, Ms. PELOSI, Mr. HOCHBRUECKNER, and Mr. RUSSO.

H.J. Res. 215: Mr. DELLUMS, Mr. OWENS of New York, Mr. KENNEDY, Mr. KLECZKA, Mr. SPRATT, Ms. KAPTUR, Mr. ROE, Mr. MILLER of California, and Mr. FAWELL.

H.J. Res. 220: Mr. WAXMAN, Mr. AUCOIN, Mr. ACKERMAN, Mr. JACOBS, Mr. HAYES of Louisiana, Mr. BLILEY, Mr. JONES of Georgia, and Mr. BRENNAN.

H.J. Res. 221: Mr. CLAY, Mr. COLEMAN of Missouri, Mr. DARDEN, Mr. GEKAS, Mr. HANSEN, Mrs. JOHNSON of Connecticut, Mr. MFUME, Mr. MORRISON of Connecticut, Mr. MURPHY, Mr. PARRIS, Mr. ROWLAND of Georgia, Mr. SAWYER, Mr. SCHUMER, Mr. STUDDS, Mr. JONES of North Carolina, and Mr. WISE.

H.J. Res. 231: Mr. DERRICK, Mr. ENGEL, Mr. FORD of Tennessee, Mr. HAWKINS, Mr. COURTER, Mr. MCDERMOTT, Mr. MCGRATH, Mr. POSHARD, Mr. RAVENEL, Mr. ROWLAND of Connecticut, Mr. SAVAGE, Mr. SCHEUER, Mr. SHARP, Mr. SMITH of Florida, Mr. VOLKMER, Mr. APPLEGATE, Mrs. MORELLA, Mr. HENRY, Mr. PALLONE, Mr. SAXTON, Mr. SOLARZ, Mr. TALLON, Mr. TRAFICANT, Mr. SKELTON, and Mr. SHAYS.

H.J. Res. 255: Mr. ENGLISH, Mr. BURTON of Indiana, and Mr. CLINGER.

H.J. Res. 292: Mr. MCGRATH, Mr. FISH, Mr. LAGOMARSINO, Mr. NEAL of North Carolina, Mr. GALLEGLY, Mrs. MARTIN of Illinois, Mr. LANTOS, Mr. COURTER, Mrs. BOXER, Mr. FOGLIETTA, Mr. FAZIO, Mr. APPLEGATE, Mr. LANCASTER, Mr. ROE, Mr. ENGEL, Mr. MCNULTY, Mr. CARPER, Mr. LOWERY of California, Mr. MACHTLEY, Mr. LEHMAN of Florida, Mr. AUCOIN, Mr. DEFAZIO, Mr. RANGEL, Mr. COYNE, Mr. BROWN of Colorado, Mr. JONES of Georgia, Mr. SAWYER, Mr. BILBRAY, and Mr. FRENZEL.

H.J. Res. 308: Mr. PAXON, Mr. MILLER of Ohio, Mr. GALLEGLY, Mr. PICKETT, Mr. CRANE, Mr. STEARNS, Mrs. VUCANOVICH, and Mr. PAYNE of Virginia.

H.J. Res. 318: Mrs. VUCANOVICH and Mr. PAYNE of Virginia.

H.J. Res. 322: Mr. HUCKABY, Mr. HOLLOWAY, Mr. TAUZIN, Mr. PAXON, Mr. MCGRATH, Mr. GALLEGLY, Mr. PAYNE of Virginia, and Mrs. VUCANOVICH.

H.J. Res. 338: Mr. ACKERMAN, Mr. ATKINS, Mr. AUCOIN, Mr. BEILENSON, Mr. BOEHLERT, Mrs. BOXER, Mr. BROWN of California, Mr. DWYER of New Jersey, Mr. DYMALLY, Mr. FOGLIETTA, Mr. FUSTER, Mr. GILMAN, Mr. GORDON, Mr. HORTON, Mrs. JOHNSON of Connecticut, Ms. KAPTUR, Mr. KOSTMAYER, Mr. LEHMAN of Florida, Mr. MACHTLEY, Mr. MILLER of California, Mrs. MORELLA, Mr. MORRISON of Connecticut, Mr. MYERS of Indiana, Mr. NEAL of North Carolina, Mr. OWENS of New York, Mr. PALLONE, Ms. PELOSI, Mr. RANGEL, Mr. RICHARDSON, Mr. ROE, Mr. ROYBAL, Mr. SANGMEISTER, Mr. SAXTON, Mr. WALGREN, Mr. WALSH, and Mr. YATES.

H.J. Res. 349: Mrs. VUCANOVICH.

H.J. Res. 350: Mr. ORTIZ, Mr. ROBINSON, Mr. PERKINS, Mr. HUCKABY, Mr. LAUGHLIN, Mr. FLIPPO, Mr. BATEMAN, Mr. MCCANDLESS, and Mr. HALL of Texas.

H. Con. Res. 39: Mr. HORTON.

H. Con. Res. 145: Mr. ENGEL and Mr. MORRISON of Connecticut.

H. Con. Res. 154: Mr. BEREUTER.

H. Res. 116: Mr. BILBRAY, Mr. FAZIO, Mr. HAYES of Illinois, Mr. CLAY, Mr. ATKINS, and Mr. BRENNAN.

H. Res. 181: Mr. PORTER, Mr. IRELAND, Mr. HANCOCK, Mr. RITTER, and Mr. GINGRICH.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1068: Mr. QUILLEN.

H.R. 2360: Mr. WALSH.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2461

By Mr. FRENZEL:

—At the end of part A of title VI (page 119, after line 8), insert the following new section:

SEC. 603. PROHIBITION ON AUTHORIZING THE ADVANCE PAYMENT OF PAY AND ALLOWANCES RELATING TO THE PAY PERIOD ENDING ON SEPTEMBER 30, 1989.

(a) ADVANCEMENT ORDER RESCINDED.—The order of the Secretary of Defense, dated May 24, 1989, relating to requiring the advancement of the October 1, 1989, military payday to September 29, 1989, is hereby rescinded.

(b) PROHIBITION ON ADVANCING PAYDAY.—

(1) Notwithstanding subsection (h) of section 1006 of title 37, United States Code, for the pay period ending on September 30, 1989, the Secretary concerned may not advance the October 1, 1989, payday for the payment of pay and allowances to members of a uniformed service under the jurisdiction of the Secretary.

(2) For purposes of this subsection, the term "Secretary concerned" has the meaning given to that term in section 101(5) of title 37, United States Code.

By Mr. WOLF:

—At the end of title XII (page 253, after line 15), add the following new section:

SEC. 1243. LIMITATION WITH RESPECT TO PRESIDENTIAL DESIGNEE AUTHORIZED TO REVIEW CERTAIN FOREIGN INVESTMENT IN THE UNITED STATES.

Any designee chosen by the President to carry out the authority conferred by section 721 of the Defense Production Act of 1950 (50 U.S.C. App. 2170) shall be—

(1) in the case of a designee that is an individual, the Secretary of Defense; or

(2) in the case of a designee that is a group or committee, a group or committee whose chairman is the Secretary of Defense.

EXTENSIONS OF REMARKS

THE SUPREME COURT AND CIVIL RIGHTS

HON. F. JAMES SENSENBRENNER
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. SENSENBRENNER. Mr. Speaker, civil rights groups and Members of both Houses have raised a significant cry of outrage over the Supreme Court's recent civil rights decision in Wards Cove versus Atonio. So often when an issue gets flagged by civil rights groups as "Bad" for civil rights, many Members jump right on the bandwagon and start singing the same tune—lest they should be labeled "anti-civil rights."

Well, I can assure you that to be labeled anti-civil rights today, you need only follow the civil rights leadership agenda—because what you will get are quotas. But quotas are not what we bargained for in civil rights. Any bill to overturn Wards Cove is a bill to mandate quotas.

As it stands, employers will finally be able to make some employment decisions on the basis of merit for a change and now Congress wants to take all that away. No, they say—quotas are what we want. Well, I say no to that. That goes against everything we have worked so hard to achieve—civil rights in a color-blind society.

The recent editorial in the Wall Street Journal by the very distinguished Judge Robert H. Bork, eloquently explains this outrage. I include it in my remarks and urge my colleagues to read and heed.

[From the Wall Street Journal, June 30, 1989]

THE SUPREME COURT AND CIVIL RIGHTS

(By Robert H. Bork)

The Supreme Court has decided a series of civil rights cases this term and from much of the press reaction, as well as that of the civil rights groups, one might suppose that the justices had reinstituted segregation.

The New York Times editorialized that the court "displays an icy indifference . . . to the hopes of discrimination victims." A guest columnist in the Washington Post angrily asked, "Is the only choice now for civil rights activists between capitulation or an angry return to the streets?" Reaching an even shriller note, an editor of the New Republic proclaimed that in America "Race is the wound that will not heal, and the Supreme Court has just rubbed fresh salt in that wound. . . ." He invited us to behold "the dizzying moral fall from the Warren Court, a product of Eisenhower Republicanism, to the Rehnquist Court, a product of Reagan Republicanism." Something pretty savage must have happened.

What actually happened is that the court made some moderate and overdue adjustments to legal doctrine in the field of civil rights law. The real cause of the caterwauling is not that discrimination is being allowed—it isn't—but that it is now harder to justify quotas or force them upon employers. Almost all Americans want to heal the wounds of race; almost all are concerned with civil liberties; but most are opposed to racial and sexual quotas in employment, promotion and education.

MORAL ASSAULT

But quotas are the pet solution of the American left, which specializes not in argument but in moral assault upon those with whom it has substantive differences. Now that the moral assault is directed at the Supreme Court it is important that Americans understand what the court has in fact done and what it has not.

The court's January decision in *Richmond* v. *J.A. Croson Co.,* held unconstitutional the city's minority set-aside program. The City Council had adopted an ordinance requiring prime contractors on city construction contracts to subcontract at least 30% of the dollar amount of the contract to businesses at least 51% owned by U.S. citizens who are "Blacks, Spanish-speaking, Orientals, Indians, Eskimos, or Aleuts." It was less than clear why Richmond thought it should extend the benefits of its quota to minorities from anywhere in the U.S. and even less clear how Orientals, Indians, Eskimos, and Aleuts got on the favored list. The one thing that was clear was that white-owned companies were to be discriminated against. Croson Co. was.

Croson was the only bidder on a project and the only minority supplier of fixtures willing to participate came in well over market price. The city denied requests that the minority requirement be waived or that the contract price be raised and Croson lost the contract.

The court found a violation of the equal protection clause of the fourteenth amendment. "The Richmond Plan," Justice O'Connor's opinion said, "denies certain citizens the opportunity to complete for a fixed percentage of public contracts based solely upon their race." The 30% quota was not an allowable remedy because there was no evidence that the city or anyone in the Richmond construction industry had illegally discriminated against anyone.

The opinion is marred only by its argument that the federal government could impose quotas that the states and cities may not because the federal government has the power to "enforce" the 14th Amendment. The power to enforce, however, is the power to prescribe remedies, not the power to change the substantive command of the equal protection clause. Justice Kennedy said in concurring, "The process by which a law that is an equal protection violation when enacted by a State becomes transformed to an equal protection guarantee when enacted by Congress poses a difficult proposition for me. . . ." If the Court sticks to that untenable distinction, the pro-quota forces will have won more than they should.

In June, when the court handed down *Wards Cove Packing Co.* v. *Atonio,* the left's moral assault moved into high gear. Eighteen years before, in *Griggs* v. *Duke Power Co.,* the court had decided that under Title VII of the Civil Rights Act of 1964 a plaintiff need not have intentional discrimination. Statistical imbalance in the racial composition of the work force was presumed discriminatory unless proven otherwise. The test was the *consequences* of business practices, not their motivation.

This highly questionable reading of the act produced unfortunate results. Statistical imbalances are everywhere in our society since entirely innocent social forces and cultural differences do not produce proportional representation of each ethnic group in each occupation.

Wards Cove involved Alaskan salmon canneries that had a predominantly white work force in skilled jobs and a predominantly nonwhite work force in unskilled jobs. The court of appeals had held that imbalance created a prima facie case against the companies. Justice White's opinion for the majority disagreed: The lower court's theory "at the very least, would mean that any employer who had a segment of his work force that was—for some reason—racially imbalanced, could be hauled into court and forced to engage in the expensive and time-consuming task of defending the 'business necessity' of the methods used to select the other members of his work force." Thus, the "only practicable option for many employers will be to adopt racial quotas. . . : this is a result that Congress expressly rejected in drafting Title VII."

The court held that the proper comparison was between the proportion of a racial group in the work force and the proportion of qualified members of that race in the pool available to the employer. The plaintiff must also identify the employment practice alleged to be responsible for the disparity. Once that has been done, the employer must produce evidence of business justification for those practices but the ultimate burden of persuading the court that discrimination exists remains with the plaintiff.

Civil rights activists charged that the court had done two terrible things. One was to change the rule of *Griggs;* the other was to make it more difficult to win a discrimination case. Neither charge has any merit. Courts modify prior decisions all of the time. Indeed, the court the activists most admire, that headed by Earl Warren, continually jettisoned prior rulings if found politically or morally unseemly. For the present court to modify a rule that produced results contrary to the intention of the 1964 Civil Rights Act is not only unexceptionable but praiseworthy. The fact that plaintiffs may have more difficulty winning proves nothing at all. The object of the law is not to see the plaintiffs always win. All the Supreme Court has held is that discrimination must be proved rather than assumed. Only to those who think America pervasively and incurably racist does that seem outrageous.

Also this month, *Martin* v. *Wilks* held that white firefighters in Birmingham, Alabama, were not barred by a consent decree, to which they were not parties, from challenging the preferential promotion of allegedly less qualified black firefighters. The challengers had a right to their day in court. The court majority applied the estab-

lished "general rule that a person cannot be deprived of his legal rights in a proceeding to which he is not a party." The opinion necessarily relied upon the Federal Rules of Civil Procedure to hold that the white firefighters were under no obligation to intervene in the litigation.

That New Republic editor found the technical language insufficiently "exalted", and quoted Justice Blackmun's dissent in *Wards Cove*. "One wonders whether the majority still believes that race discrimination—or, more accurately, race discrimination against non-whites—is a problem in our society, or even remembers that it ever was." That attack is wide of the mark. It is not only an unjustified slur on five justices but assumes that the court's function is to replace law with moral passion, even if that moral passion produces dubious results.

These and other decisions of the court have prompted the civil rights groups to say they will turn to Congress to undo the Supreme Court's decisions. Since those decisions are clearly correct, it is to be hoped that Congress will not respond. President Bush has stated that he does not think new legislation is needed. But if these matters are taken up, and if new legislation is written, Congress should specifically disapprove of quotas and avoid any provisions that have the effect of pressuring employers to adopt them.

The moral passion of the dissents in these cases is imprudent on more grounds than one. For too long, in our zeal to achieve moral results, we have ignored the morality of process. A judge should have the compassion to understand the human situation before him in order to apply law intelligently and sensitively. The judge should never, however, allow compassion to control his reading of the law. The morality of process is the highest morality of the jurist.

SALT IN THE WOUND

But there is a second objection to a morality that leads to quotas, and this objection applies no matter what arm of government approves or requires them. Race is indeed a wound that has not healed. But it is precisely the use of preferential quotas that rubs fresh salt into the wound. When non-white individuals who have not themselves been the victims of discrimination are preferred to white individuals who have not inflicted discrimination, racial resentments are certain to be inflamed. The problem is likely to grow more acute, for the question of race and ethnicity is no longer simply a black-white issue.

As the composition of our population changes, we see competition for group entitlements among whites of European ancestry, blacks, Hispanics, and Asians. The competition has become bitter and has led to the expression of sentiments that can only be called racist. The only possibility of avoiding a much worse situation than the one we now face is to drop the entire notion of group entitlements, which means abandoning quotas. The Supreme Court has been moving in that direction, which is fortunate both for the integrity of the law and for social policy. We must hope that the court is not affected by the moral intimidation to which it, and we, are being subjected.

TRIBUTE TO JOHN MOONEY

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. FLORIO. Mr. Speaker, I would like to invite my colleagues to join me in paying tribute to John G. Mooney, the recently elected commander of the Veterans of Foreign Wars [VFW] for the State of New Jersey.

Mr. Mooney was born in West Orange, NJ, and graduated from high school there. He attended Rutgers University before joining the Army in 1952 and serving in Korea for 2 years.

When he returned home, he was in the trucking industry prior to going to work for Essex County.

A member of the Bloomfield VFW Post 711, he has been active in the organization for 29 years. He has served as post and district commander and has been active on numerous VFW committees at both the State and local levels.

As a member of the House Veterans' Affairs Committee, I have had the pleasure of working closely with my friend John Mooney, and the members of the VFW of New Jersey. For years, the VFW has fought for the rights of veterans and has worked to ensure that veterans are given the respect and dignity they deserve.

I feel Mr. Mooney is well prepared to lead the New Jersey Veterans of Foreign Wars in meeting the challenges ahead. John Mooney and the fully-staffed VFW office in Newark keep their door open to any veteran for advice and referrals.

I am delighted that John Mooney has been elected to serve as commander of the VFW of New Jersey. I look forward to continuing to work with John Mooney in his new position. I would like to share with my colleagues the following article:

[From the Sunday Star-Ledger, June 25, 1989]

VFW COMMANDER SEES U.S. WINNING THE PEACE

(By Charles Q. Finley)

John Mooney, 53, of Bloomfield, the new state commander of the Veterans of Foreign Wars, hopes America never fights another war.

"We've had enough of war, and I hope VFW membership will fade away in the next century because our country remained at peace," said Mooney, an investigator for the Supervisor of Elections in Essex County.

"The VFW is a marvelous organization which carries on programs to help veterans and others as well, but none of us ever want to see a new conflict. Since Vietnam, our government has become much more cautious as to what action it takes when trouble develops in some other part of the world.

"It'll be taking a long, hard look before sending in troops. Of course, we must maintain a strong defense, and nuclear armament is in itself a deterrent to war.

"I don't believe a nuclear conflict ever will come about between the major powers. But I am concerned that the wrong smaller nation might attain nuclear capability; then there's no way of knowing what might happen.

"I visited Israel recently and was shocked by what I saw there. The state is so small that a soldier standing guard on any border couldn't be more than two hours' drive away from his mother sitting on her back porch.

"It's a huge military base on a war footing seven days a week. Surrounded on three sides by its enemies, and on the fourth side by the sea, the Israelis worship the ground they walk on, and have tremendous respect and love for their country.

"Israel is smaller than the state of New Jersey, and really is fighting for its life. The visit really was an eye-opener for me."

Mooney was "appalled" by the recent Supreme Court decision that burning the American flag is not illegal.

"The decision was a damn shame, and I'm sure I speak for every VFW member when I say I'm appalled. It indicates to me that our whole justice system is breaking down.

"Promoting patriotism and protecting the flag is what the VFW stands for, and we'll protest this decision vigorously. We will seek possible ways to nullify it.

"I also find the situation in China very upsetting. The young man seen on television trying to stop a tank by himself during the democracy uprising deserves a world peace award.

"The democracy movement in China has only been wounded. You can rest assured it'll be heard from again.

"It was a genuine uprising of the people. They were telling the government in no uncertain terms 'Enough is enough!' "

Mooney sees a resurgence of patriotism in America.

"We're entering upon a new era. America has a good feeling about itself, and is confident about its future despite its problems."

Mooney said VFW projects are many and varied.

"We bring cheer into the veterans hospitals, even taking some patients on fishing trips. Gibbstown VFW Post 5579 recently received a national award for such a project.

"There are 365 VFW posts in New Jersey, with a total membership of 73,000. We stand ready to help any individual veteran who is down on his luck.

"There is a fully staffed VFW office in Newark open to any veteran for advice and referrals. We have an ongoing project at the veterans hospital in Paramus, in which we're raising $65,000 to build a glass-enclosed garden with a gazebo as a recreation area for the patients.

"There are VFW scholarship programs nationwide. We go into the schools to spread the word about our freedoms.

"We tell the young people what America is all about. It's important they are knowledgeable about this nation's heritage.

"When adults tell them personally where we've come from, and what we are today, it prepares them to follow in our footsteps. This is a way to make America stronger."

Mooney was born in West Orange and graduated from high school there. He attended Rutgers University before joining the Army in 1952 and serving in Korea for two years.

When he returned home, he was in the trucking industry prior to going to work for the county.

A member of Bloomfield VFW Post 711, he has been active in the organization for 29 years. He has served as post and district commander, as well as being active on numerous VFW committees at both the state and local levels.

Mooney and his wife, Helen, have three children—John Jr., a financial planner;

Thomas, a computer analyst, and Patricia, an assistant bank manager.

Mooney said the VFW will be pressing Congress for more adequate funding for veterans hospital construction.

"Cutbacks in this area have caused much hardship."

Mooney said he enjoys golfing and fishing, but he spends most of his free time taking part in VFW activities.

"I meet many fine people in the VFW, and I also gain much self-satisfaction being a member of a group that does so much good for so many."

FLORIDA A&M BAND TO MOON-WALK THROUGH PARIS

HON. SAM GIBBONS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. GIBBONS. Mr. Speaker, as we are all aware, tomorrow is the bicentennial of the French Revolution. Among the festivities to take place in Paris, the French Government is putting on an extravagant Bastille Day Parade. A parade which will begin at the Arc de Triomphe and march down the Champs Elysees.

Only 16 bands from around the world were picked to participate in this parade and it gives me great pleasure to inform my fellow colleagues that the one band chosen to represent the United States of America is the Florida A&M University's Marching Band. The Marching 100 will bring their unique vibrance and talent to an internationally televised event that will be seen by millions.

I'm sure the band was picked both because every member is extremely talented and no one else could moon-walk through Paris while playing James Brown.

All Floridians and alumni everywhere are very proud of the Marching 100 and the great honor they have received in being selected to go to Paris. I hope that all Members will have an opportunity to see Florida A&M's Band; they put on quite a show.

Mr. Speaker, I would like to share with my colleagues the following Tampa Tribune article about the FAMU band.

MOON-WALK THROUGH PARIS

(By Jim Henry, Tribune Sports Writer)

TALLAHASSEE.—They strut. They swing. They march doubletime onto the football field.

And on July 14, they are going to moon-walk down the Champs Elysees while the eyes of the world watch on television.

The FAMU band, representing Florida A&M University, is internationally FAMoUs.

The band, also called the Marching 100 and the Rattlers was selected to be the sole representative band from the United States, and one of only 16 bands from around the world invited to participate in the Bastille Day Parade.

This Saturday, an excited and enthusiastic FAMU entourage of 250 leaves for Paris to perform at extravagant ceremonies marking the bicentennial of the French Revolution.

An estimated 150,000 people will line a three-mile parade route on July 14, and the extravaganza will be televised worldwide, including coverage in the United States.

The Rattlers, decked in their familiar orange-and-green uniforms, are eager to play their instruments, smile and march—or more precisely moon-walk—through the streets of Paris and perhaps into the hearts, if not feet, of people around the globe.

Jean Paul Goude, artistic director of the $16 million extravaganza, said the Marching 100 was his first choice to represent the United States because it is "the epitome of black music."

Goude, who first saw the Marching 100 when he lived in New York City 12 years ago, said that groups in all parts of the world have incorporated elements of American black music and dance into their presentations.

"They (Marching 100) combine extraordinary talent," said Goude, who was in Tallahassee to watch the band rehearse two weeks ago. "To me, they are the illustration of American music. They are young; they are vibrant, they are so alive. I wanted our bands to reflect what I call 'world music.'"

Goude said he hopes to turn the parade, which will begin at 10 a.m. in Paris, into an eccentric explosion of color and sound.

From Africa will come 150 drummers perched on a 25-foot high pyramid of metal drums. Two hundred military bagpipers and drummers from Britain are to march enveloped in a cloud of fog.

The centerpiece for the Soviet contingent of dancers and gymnasts is a portable skating rink, featuring a dancing bear and a ballet dancer showered by a snowstorm. The climax will feature a wall of water that will divide suddenly to let through the more than 8,000 marchers and 1,000 sheep.

Near the middle of the parade, at the No. 7 spot in a line of 16, will be the Marching 100. The band has appeared at Disney World and in Super Bowl III, received numerous national accolades and is best known for its innovative and precise halftime performances during school football games.

But Paris will be different. Most band members know of this global centerpiece only through grade-school history lessons.

"This will be a cultural explosion, FAMU's chance to give to the world," Marching 100 director William P. Foster said. "The closer we get the more overwhelming it becomes. Paris is on the lips and minds of everyone here. We are extremely thankful and eager for the opportunity.

"As you may well know, these kids sure love to put on a show."

Larry Rentz, a 19-year-old tuba player, echoes that excitement. "Everyone is really eager to go," he said. "I am sure everyone is expecting us to moon-walk for three miles, but that's going to be pretty difficult. I mean, try walking backwards for three miles and see how your feet feel. Believe me, we will give those folks quite a show."

Goude and other French officials saw the Marching 100 perform in Tampa Stadium last November during the annual Florida Classic football game between FAMU and Bethune-Cookman.

The invitation was issued two months later from the French minister of culture. The French government is paying FAMU's expenses, expected to be more than $550,000.

Foster said the band's role is to portray black music of America in its soulful form, so the Marching 100 will perform a medley of James Brown tunes—"Living in America," "I Feel Good," "Cold Sweat" and "Papa's Got a Brand New Bag."

It's expected to take the band nearly an hour to cover the three-mile route, which begins at the Arc de Triomphe and winds down the Champs Elysees.

The Marching 100—cut in half because of summer break—has been practicing five days a week for the last month in preparation. The remaining band members arrived yesterday for rehearsal and this week's practice sessions.

Representatives of the French consulate will visit the Florida A&M campus today to discuss their country's culture and customs.

"You get kind of nervous when you think about representing this country, but this is a great chance to showcase music and exchange and learn of different cultures," said Sherwood Brown, a 21-year-old baritone player.

"Sometimes I won't really believe it until we are actually there. I guess the first thing we will do is check the streets. It will be tough (moon)-walking on cobblestone. But, we have our passports, and we are ready to go.

FEDERAL HOUSING ADMINISTRATION AUDIT INDICATES HEAVY LOSSES

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. KLECZKA. Mr. Speaker, I take this opportunity to share with my colleagues an article in this morning's copy of the New York Times entitled, "Losses Twice as High as Thought Are Found in an FHA Program."

According to the New York Times, Price Waterhouse, which supervised an audit of the Federal Housing Administration [FHA] for the General Accounting Office, estimated that over several years a single FHA coinsurance program lost $1 billion, twice as much as had been originally suspected.

I eagerly await the full GAO audit report to see the actual extent of all losses at the FHA. I am deeply concerned that FHA reserves have dropped from $4 to $2.5 billion with no halt to this financial hemorrhage in sight. In view of this very serious situation, I have requested Housing Subcommittee hearings on the solvency of the FHA and hope that we can take a closer look at the current financial status of this program.

I urge my colleagues to read about these developments in the following article.

[From the New York Times, July 13, 1989]

LOSSES TWICE AS HIGH AS THOUGHT ARE FOUND IN AN FHA PROGRAM

(By Jeff Gerth)

WASHINGTON, July 12.—Federal officials and independent auditors say a co-insurance program at the Federal Housing Administration has accumulated losses of $1 billion, twice as much as Government auditors originally thought.

That estimate of co-insurance losses alone would make the F.H.A., which insures mortgages totaling $275 billion, the most troubled segment of the Department of Housing and Urban Development. It would also account for half of Housing Secretary Jack F. Kemp's estimate, given in Congressional testimony Tuesday, of a $2 billion cost in waste, fraud and mismanagement involving

the department during the Reagan Administration.

Meanwhile, Bush Administration officials say that an inquiry by the Federal Bureau of Investigation into a private co-insurer has broadened to include an examination of the company's ties with Thomas T. Demery, the Assistant Secretary for Housing from 1986 to 1988.

Mr. Demery, formerly a developer and mortgage consultant in Michigan, has previously described how he won his appointment at the department by lobbying high Republican officials. In recent weeks, he and Deborah Gore Dean, who was executive assistant to the Reagan Administration's Housing Secretary, Samuel R. Pierce Jr., have emerged as central figures in the awarding of consulting contracts to former officials of that Administration as well as other influential Republicans.

Various Federal inquiries into the management of the department have so far focused mainly on the activities of consultants and on a program to rehabilitate housing for the poor. Now the expanded F.B.I. inquiry, involving the DRG Funding Corporation, the largest lender in the F.H.A.'s $5 billion co-insurance program, is the first indication that the bureau is interested in the activities of Reagan Administration political appointees while they were a H.U.D.

NATURE OF THE PROGRAM

No one has been charged with wrongdoing in connection with the co-insurance program, and Mr. Demery said in an interview today that he had acted properly while at the department. But enough evidence has now come to light to indicate that co-insurance is the most costly legacy of Secretary Pierce's troubled tenure.

"Co-insurance" is H.U.D. terminology for a program under which private lenders assume about 20 percent of the risk of insuring a mortgage while the Government assumes responsibility for the remaining 80 percent.

This division of risk and responsibility was introduced in 1983 as one of the Reagan Administration's initiatives in public-private partnership. It was based on an assumption that the private lenders could oversee most of the underwriting process, credit checks and appraisals without Government supervision.

But auditors from Price Waterhouse, hired by the Government to look into the program, have concluded that this approach led to enormous losses, and their work and the intensified F.B.I activity seem to have opened a major new front in the H.U.D. investigations being carried out by the Justice Department, Congressional committees and Secretary Kemp.

BLOATED MORTGAGES

Investigators say the large losses in co-insurance stemmed in significant part from some lenders' practice of vastly overvaluing property that was being mortgaged.

In the course of arranging these inflated mortgages, the investigators say, a lender would receive a large servicing fee based on the size of the mortgage. Later, when the owner or developer defaulted, the lender was able to pay its 20 percent share of insurance costs and still come away with a profit, leaving the Government responsible for the rest of the loss.

The F.B.I. is looking into the possibility that officials at the department who supervised the program were improperly influenced to give preferential treatment to at least one lender.

BROADER LOSSES BY F.H.A.

Co-insurance is just one of the programs creating losses for the F.H.A., which pays claims out of four separate funds. The General Accounting Office, Congress's investigative and auditing arm, reported in May that the agency as a whole lost $452 million last year. Premiums paid by private lenders are the main source of the agency's income, and they have been declining at a time when claims have been mounting, a result largely of a depressed real estate market, particularly in areas of the Southwest.

H.U.D.'s co-insurance literature for lenders explains that the program "reduces the number of persons who have to prepare and review documents at each processing step and shifts decision-making authority from H.U.D. to the lender."

But a vast layoff of auditors at the department left "nobody to watch the store" when lenders arbitrarily "did their own underwriting" in the co-insurance program, said Dennis Penman, a Buffalo builder who was interviewed for a H.U.D. post by the Bush White House but was not appointed.

A report last December by the department's auditors said that adequate oversight had led to unsound loans, initiated appraisals and inflated mortgages, which in turn led to large fees for the lenders and losses for the department.

Indeed, auditors working for Paul A. Adams, H.U.D.'s inspector general, have been warning in reports since 1985 that co-insurance projects are "overmortgaged."

"Overvalued properties can further increase the amount of H.U.D.'s losses when insurance claims are paid," a 1988 report noted, "since less than the estimated value of the projects may be realized from disposition of the properties."

But Mr. Adams told a Congressional subcommittee last month that when he alerted senior political appointees at the department who had helped develop the program, they "characterized our findings as unfair and unjustified."

Mr. Adams said in his Congressional testimony that co-insurance losses resulting solely from mortgages held by DRG, the company at the center of the F.B.I. inquiry, had come to $55 million and that the losses for the entire program might amount to hundreds of millions of dollars.

PRICE WATERHOUSE FINDINGS

The new, even larger estimate of $1 billion in accumulated losses over several years was reached as a reusit of a recently completed audit by Price Waterhouse, said Roger R. Stolz, the official who is supervising the audit for the G.A.O.

The auditors have not yet released their audit of the F.H.A. for 1988. But for 1987 they have made more than 60 adjustments to the agency's books, including a drastic reduction in its equity, or capital, from $3.1 billion to $1.2 billion, and they expect a negative cash flow for the next two years.

"They hadn't anticipated these kinds of losses," Mr. Stolz said, "but the lack of oversight led to the abuses. You can't give someone your checkbook to write checks without oversight."

When asked whether any information about H.U.D. officials that might have been uncovered in the audit had been brought to the attention of the F.B.I., Mr. Stolz said he had no comment. "It's pretty sensitive," he said.

But Administration officials said that Price Waterhouse had taken certain information to the F.B.I. and that bureau agents were now working with the firm's auditors. Last January the offices of DRG and its affiliates were searched by F.B.I. agents, who charged that the company had engaged in H.U.D.-related fraud and theft, according to an affidavit filed last January by one agent, Robert E. Carroll.

Officials said that documents involving Mr. Demery that were seized in the search of DRG's offices were an important part of the expanded F.B.I. inquiry.

According to Mr. Demery and his financial disclosure statement, he brokered loans through his private real estate consulting company in Michigan until 1984, two years before he became H.U.D.'s top official for housing. In an interview, he denied any wrongdoing but acknowledged that he had not accepted other department officials' criticism of DRG and the co-insurance program. He added that while he had recommended a less aggressive position concerning DRG than other, "competing" officials at the department, he had shared the overall objective of trying to save money for the F.H.A. and make DRG a more "responsible" lender.

Mr. Demery also said that ethics officials had allowed him to participate in DRG matters because "I had no financial interest" in the company while at the department. He said that from 1982 to 1986 he was a H.U.D. consultant "pretty much full time" and that around "1984 or 1985" he investigated for the department a troubled DRG-financed project in Houston, Colonial House.

Colonial House is at the heart of the F.B.I. inquiry into overvalued loans by DRG, and the F.H.A. is expected to lose $35 million on the now-defaulted project, according to the affidavit by Mr. Carroll, the Federal agent.

An inventory of dockets retrieved by the F.B.I. in the search of a real estate affiliate of DRG that has no business with H.U.D. uncovered at least five memorandums and letters in the titles of which Mr. Demery's name appears.

The inventory lists only a brief description of the seized files. But Federal officials said the documents were pertinent to their inquiry whether there was a financial or other relationship that was improper between Mr. Demery and the DRG after he became Assistant Secretary for Housing in 1986.

Mr. Demery said in the interview that he did not know what the seized documents pertained to.

RICO, ABORTION AND THE FIRST AMENDMENT

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. LAFALCE. Mr. Speaker, I would like to include in the RECORD an excellent column written by Nat Hentoff which appeared in the Washington Post on Saturday, July 8, 1989.

Mr. Hentoff brings to our attention the convergence of two of today's most heated issues: the preservation of first amendment rights of protesters and the issue of abortion. Under the application of the controversial racketeer influence and corrupt organizations law, abortion protesters have been labeled as gangsters and sued for both treble damages and attorney's fees. Regardless of one's posi-

tion on the issue of abortion, all legislators should reject the application of RICO to moral and political protesters. I am pleased to share with you Nat Hentoff's insights into the conflicts which the present application of RICO presents.

[From the Washington Post, July 8, 1989]

RICO, ABORTION AND THE FIRST AMENDMENT

(By Nat Hentoff)

The National Organization for Women and the American Civil Liberties Union are in firm accord on the need to protect abortion rights. There is dissonance, however, between the national ACLU and NOW on the use of the formidable federal RICO statute to safeguard those rights.

The Racketeer Influenced and Corrupt Organizations law, with its broad and loose language and its heavy penalties, can stigmatize antiabortion and other demonstrators as "racketeers" practicing "extortion" if they are convicted of what would ordinarily be trespass and disorderly conduct under state and local laws.

In a recent issue of the National Law Journal, Antonio Califa, legislative counsel for the ACLU in Washington, wrote that "the ACLU believes that Civil RICO's potential for chilling First Amendment rights of expression is enormous."

On the other hand, in a letter to The Post taking issue with my prediction that a wide variety of organizations, including NOW, could be vulnerable to RICO suits, Patricia Ireland, NOW's executive vice president, dismissed that possibility. She concluded, "As long as antiabortion extremists continue to behave like gangsters, it is wholly appropriate to treat them as gangsters under the racketeering laws."

In Pittsburgh, a group of antiabortion "gangsters" are defendants in a RICO suit that illustrates the ACLU's apprehension and NOW's myopia.

Helen Cindrich is executive director of People Concerned for the Unborn Child, which operates a hot line—a clearing house for information about prolife meetings and other events. She used to think she couldn't possibly be sued for just reporting news, some of which is taken from local newspapers. She does indeed include news of arrests, and she asks prayers for those in jail.

None of the above would seem to qualify as "extortion." And, in any case, as she told me, "You call the number; the number doesn't call you."

Last October, the owners of the Highland Building, which houses an abortion clinic, retaliated against a number of demonstrations at the clinic—including some by Operation Rescue—by suing a range of people and organizations, including People Concerned for the Unborn Child.

One of the lawyers for the plaintiffs is Ellen Doyle, former executive director of the ACLU in Pittsburgh. She explained to me why People Concerned for the Unborn Child is a defendant: "All those demonstrators were showing up at the building, and we're suing all those who were responsible for all those people showing up at the building."

Had there been a RICO statute at the time, the American Revolution might have been considerably delayed while John Adams and other attorneys tried to extricate members of the Committees of Correspondence from RICO.

Helen Cindrich has become a lot more careful about what she puts on the hot line and in her newsletter. She is concerned, for instance, that it may be held against her that the newsletter printed an account of the Operation Rescue demonstration after it was over. (A lawyer in Philadelphia tells me she has been getting calls from people who want advice on what to avoid printing in their newsletters so they can escape RICO).

Three years ago, People Concerned for the Unborn Child invited Randall Terry, who has since become the leader of Operation Rescue, to speak. "I would not invite him to come now," says Cindrich.

At trial, however, the judge, some supporters of RICO argue, will separate out the true racketeers from the peaceable demonstrators. Some judges may, some may not. But the expenses of pretrial combat are heavy and can persuade an innocent group with marginal funds to cease its protests.

Furthermore, as Antonio Califa of the ACLU emphasizes, "Under RICO's expansive provisions, it is relatively easy for plaintiffs to survive a motion to dismiss and to embark upon intrusive discovery proceedings, which may be particularly threatening to political advocacy groups. Indeed, plaintiffs intolerant of a group's opinions may file suit with the sole intention of inhibiting activities they abhor."

Defendant Cindrich, charged with "racketeering" and "extortion," told me with some wonder: "They want our entire mailing list. There are 4,000 names on it." Each one a potential suspect.

Well, as NOW says, one must deal firmly with gangsters.

FLAG BURNING IS WRONG

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. SKELTON. Mr. Speaker, being fully in accord with a constitutional amendment that would override a recent Supreme Court decision that protected a person who burned the American flag from prosecution, I publish today an editorial from the Post Tribune, of Jefferson City, MO, June 23, 1989. I am in full agreement with the views expressed by this writer concerning the flag burning and free speech.

The article follows:

FLAG-BURNING FREE SPEECH?

In protecting persons who burn the American flag from prosecution, the Supreme Court stretched the First Amendment's right of free speech to an excessive degree.

The court ruled, by a narrow 5-4 vote, that it was "expressive conduct" permitted by the Constitution when Texan Gregory Johnson torched the U.S. flag during the 1984 Republican convention while anti-Reagan marchers chanted: "America, the red, white and blue, we spit on you."

Johnson was arrested for violating a Texas law making it a crime to desecrate the American flag. Similar laws have been passed by 47 other states and the federal government. He was sentenced to a year in jail and fined $2,000.

In overturning his conviction, the Supreme Court said, in an opinion written by Justice William Brennan Jr., that the "government may not prohibit expression simply because it disagrees with its message . . . We do not consecrate the flag by punishing its desecration, for in doing so we dilute the freedom that this cherished emblem represents."

Brennan misread the intent of the state of Texas if he believes Johnson was prosecuted because it disagreed with his message, whatever that message was. The state prosecuted him because its people and its legislature believe that the American flag is a symbol of all this nation stands for and should not be defiled.

Chief Justice William Rehnquist, in his dissenting opinion, aptly characterized Johnson's repugnant action. He said that flag burning "is the equivalent of an inarticulate grunt or roar that, it seems fair to say, is most likely to be indulged in not to express any particular idea, but to antagonize others."

Said Rehnquist: "Surely one of the high purposes of a democratic society is to legislate against conduct that is regarded as evil and profoundly offensive to a majority of people."

Another dissenter, liberal Justice John Paul Stevens said that "sanctioning the public desecration of the flag will tarnish its value—both for those who cherish the ideas for which it waves and for those who desire to don the robes of martyrdom by burning it."

The Supreme Court's decision will not sit well with most Americans, and something ought to be done about it. The Supreme Court is a judicial umpire; it is not sovereign. The Constitution clearly gives the people, through their representatives, the right to nullify high court decisions by changing the basic law.

President Bush, who leaned heavily on the symbolism of the flag in his campaign last fall, could ask Congress to initiate an amendment to the Constitution making it illegal to desecrate the American flag. Since 48 states already make that a crime within their own borders, they no doubt would hasten to approve such a federal amendment.

REMEMBERING JACK CURTIS

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. FLORIO. Mr. Speaker, I would like to share with my colleagues the many accomplishments of Jack Curtis, a truly entertaining and sensitive man who passed away on May 21. Mr. Curtis, who was 76, died of a heart ailment at Pennsylvania Hospital in Philadelphia.

To most of his fans, Jack will be remembered as the irreplaceable master of ceremonies who lit up the Latin Casino with his polished introductions, amusing jokes, and humorous songs. His 25-year entertainment career was intertwined with such legends as Frank Sinatra and Dean Martin.

However, Mr. Curtis was best known for his tireless dedication to his fellow senior citizens and community. A resident of Cooper River Plaza, Mr. Curtis served as president of the tenants' association where he firmly advocated senior citizens' rights and fought for rent controls. He also remained politically active in Camden County as a Democratic leader from Pennsauken and as a coordinator for the county's Office on Aging in Haddon Heights.

Jack Curtis must be praised for his never-ending talent as a hard-working entertainer. At the same time, his zest for life and commitment to friendships will not be forgotten. I join his many friends in missing him, and extend my sympathies to his family.

I would like to direct the attention of my colleagues to the following article about the valuable contributions Jack Curtis will be remembered for.

JACK CURTIS—ENTERTAINER

(By Jeffrey Bramnick, Courier-Post Staff)

PENNSAUKEN.—Friends say that what Jack Curtis did best was entertain.

Thousands of patrons from the flashy, neon nights of the 1940s, '50s and '60s at the Latin Casino would probably agree.

During a 25-year stint as master of ceremonies and house singer at the huge nightclub, Mr. Curtis, whose real name was Jacob Kurtz, rubbed elbows with entertainers and film stars of the time.

Mr. Curtis, who was 76, died May 21 of a heart ailment at Pennsylvania Hospital in Philadelphia. He was buried May 24 in a small ceremony at a Northeast Philadelphia cemetery.

"(Frank) Sinatra, Dean Martin, Sammy Davis, this guy worked with them all," remembered Bart Paradise, a friend who performed with Mr. Curtis at shows for senior citizens across South Jersey. "Everybody loved him."

Looking out at the audience at the Latin, it was Mr. Curtis' job to warm up the crowd with a couple of songs, a joke or two and a polished introduction.

"He used to sing 'My Funny Valentine,' really well," Paradise said. "But his special favorite was 'You're My Girl.'"

Mr. Curtis worked during the summer months as master of ceremonies at the 500 Club in Atlantic City.

During the past eight years, Paradise and Mr. Curtis teamed up for performances at area retirement homes.

"He sang and I did comedy," Paradise said.

The depth of Mr. Curtis' interest in senior citizens transcended his singing talent.

"He was a tireless advocate for senior citizens rights," said John Maroccia, Mr. Curtis' friend, attorney and political ally. "He understood them and they related to him."

A resident of the Cooper River Plaza, Mr. Curtis served as president of the tenants' association for many years. He had a reputation as a staunch fighter for rent control.

Even after two recent operations, Mr. Curtis continued working at his full-time job as a coordinator for senior citizens' affairs for the Camden County Office on Aging in Haddon Heights.

He also remained very active in politics in Camden County and as a Democratic district leader from Pennsauken.

"If you were involved in Pennsauken at all, Jack was a part of you," said Maroccia, a former committeeman in Pennsauken.

"He was like a second father to me," Maroccia said.

Maroccia said he remembered visiting Mr. Curtis in a Philadelphia hospital after an eye operation about five years ago.

"I walked into the room and he's on the phone with Frank Sinatra," Maroccia said. "Sinatra wanted to know if he was OK and if there was anything he needed.

"He told him he was fine."

Maroccia described Mr. Curtis as a lyric baritone who could not resist an opportunity to get up and sing "Life is a Cabaret."

"He was a character, in the good sense of the word," Maroccia said. "He had that irresistible flourish; I can still picture him in his blue, sequined tux."

Paradise and Maroccia agreed that whether Mr. Curtis stood in front of the crowd at the Latin, or a senior citizens' group, he just wanted to make people smile.

"He was a man," Maroccia said, "who always believed the best about people and saw the best in life."

PROTEST OF REPRESSION IN CHINA

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. FOGLIETTA. Mr. Speaker, the massacre of Chinese students in Tiananmen Square at the order of the Chinese Government appalled observers around the world. This tragedy shocked our Government and others into the realization that despite policies of economic liberalization, the current Chinese Government has not moved into the age of political freedom. At the same time, the events of the past couple of months have shown that many Chinese students—and other Chinese—are ready for that age, and for the benefits of liberty and democracy that accompany it.

As the massacre in Tiananmen begins to disappear into the past, it is crucial for the well-being of the demonstrators—many of whom are now in captivity—and for all Chinese that we do not let the memory of this ruthless killing fade. That is why this body voted overwhelmingly to include sanctions against China in the foreign aid bill, and why private citizens continue to express their outrage.

The Campaign for Peace and Democracy East and West, a group of peace activists, has prepared a short statement on the massacre, which is reprinted below with a list of signatories:

U.S. ACTIVISTS PROTEST REPRESSION IN CHINA

We, Americans active in behalf of peace, the environment, trade union and human rights, are as inspired by the example of the students and workers of the democracy movement in China as we are horrified by the massacres that have taken place in Beijing.

To the Chinese students and workers who mourn the deaths of their comrades, we say that we share your grief. We share as well your outrage and admire your courage, your will, your dignity, your nonviolence. The seriousness of your commitment to democracy has never been clearer. The importance of popular control over the government—over all governments—has never been clearer.

To those in the government responsible for the massacres, we say that a government that can open fire on its unarmed citizens has forfeited the right to govern, has forfeited the respect of the community of nations. The importance of democracy is underscored by your terrible violation of it. For it is only because you are responsible to no one but yourselves that you could commit such atrocities against the popular will. As May 4, 1919 will live in history as the moment when China "stood up" against foreign domination, so June 4, 1989 will live in infamy as the day when your rule was revealed before the eyes of a horrified world as indefensible and illegitimate.

Bella Abzug; Angela Berryman; Bruce Birchard; Julian Bond; Frank Brodhead; William Sloane Coffin; Gail Daneker; Tom DeLuca; Gabe Gabrielsky; Todd Gitlin; Myra Goldberg; Paula Gutlove; Minard Hamilton.

Thomas Harrison; Judith Hempfling; Henry Hiz; Adam Hochschild; Doug Hostetter; Irving Howe; Phyllis and Julius Jacobson; Ian Keith; Rob Leavitt; Arthur Lipow; Stephanie Marquet; David McReynolds; Everett Mendelsohn.

Samuel Meyers; Brian Morton; Stefan Niewiaworski; David F. Noble; Grace Paley; Marvin Resnikoff; Ruth Rosen; Robert N. Bellah; Paul Berman; Joanne Landy; Zoharah Simmons; Franz Schurmann; Michael Simmons; Pam Solo; Gordon Thompson; Paul Walker; Christine Wing.

VOICE OF DEMOCRACY CONTEST WINNER FROM MISSISSIPPI

HON. JAMIE L. WHITTEN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. WHITTEN. Mr. Speaker, the Veterans of Foreign Wars annually conducts the Voice of Democracy broadcast scriptwriting contest, in which young people compete for scholarships.

I am pleased to say that this year's winner from Mississippi was Heather Louise Ray of Tupelo, MS. I would like to share her winning essay with my colleagues.

"I like the sound of America, the sight and the sound of America. Land of the free where I want to be, that's America to me. The sounds of people laughing that you hear most every day. The factories and the farms and the playground where I play. The silence of the mountains and the ocean's mighty roar, America! America!

Those very words, put to music so patriotically yet with innocence by Flo Price, have tugged at the heartstrings of Americans and brought thoughts of joy from times present and past. The sounds of America today are mere echos of yesteryear. Those who so humbly fought for our freedom deserve our gratitude. For it was our forefathers who paved the way for us and broadened America's opportunities. Now, as we stand face to face with the challenges of society today, we must realize it's our turn—our turn to make our future and the future of generations to come, one not of fear, but of hope. Preparing for America's future involves not only mindpower and talent, but willingness—the bill to work together for an even better America. For now, it is up to us.

America's destiny is in our hands. William Jennings Bryan wisely stated many years ago, "Destiny is not a matter of chance, it is a matter of choice; it is not a thing to be waited for, it is a thing to be achieved." Yes, as Americans it's not only our choice, but our responsibility to achieve our goals for a better future. We can't wait any longer. America's future is what we make it today.

We, the people of the great United States of America, should look toward our country's future with hopes and dreams. And

with that we must work to pursue those dreams. One must reach within to find the true desires of his heart and reach out to obtain them. No, we mustn't look back to find past mistakes, but reach forward to a better and brighter future for all mankind.

America is what it is today because of bold and mighty people who've come before us. It's truly a land of opportunity, and now it's our chance, our choice to take those opportunities at hand, search for new horizons, and make dreams a reality. Those sounds and sights of America as we know it are ones that we can make even brighter for our children.

The future starts now. It is a hope within each of us. It is something we can obtain only by working together as one, yet without suppressing individuality. As we are called the United States, let us portray that quality of unity with pride—such pride in knowing that nothing can stand in our way. We are the key to open tomorrow's doors, and tomorrow is just a day away.

TRIBUTE TO SARAH JESSICA PARKER AND ROBERT DOWNEY, JR., FOR PARTICIPATING IN THE CONGRESSIONAL ARTS COMPETITION

HON. BOB CARR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. CARR. Mr. Speaker, I rise today to draw to your attention the contribution made by two fine young artists to our recent Congressional arts competition.

Robert Downey, Jr., and Sarah Jessica Parker are an example and encouragement to all of us eager to pursue artistic endeavors.

I would like to express my gratitude to these talented artists and take this opportunity to share with my colleagues the contribution that they made to the opening.

REMARKS BY SARAH JESSICA PARKER AT THE RIBBON CUTTING CEREMONY FOR 'AN ARTISTIC DISCOVERY' ON THURSDAY, JUNE 29, 1989

First of all I want to salute all the students for their incredible and beautiful works of art. Yesterday going through the Cannon corridor I was struck by and amazed at the beauty and uniqueness of the pieces. You should all be proud of your work. Not everyone has the natural talent you possess so I hope all of you will continue your pursuit in the field of arts.

I also want to thank the Members of Congress for your commitment to the arts and to this program. You have shown by encouraging students in your district to participate in this contest that we not only applaud academic achievements but achievements in the arts. I hope and trust that arts will remain a priority to the Members of Congress so that other students will have an opportunity to pursue their goals and dreams. These students here today and other younger students are some of the arts most important resources and will be a vital part of America's role in the arts.

Once again thank you and congratulations to all the students for their extraordinary work.

REMARKS BY ROBERT DOWNEY, JR., AT THE RIBBON CUTTING CEREMONY FOR 'AN ARTISTIC DISCOVERY' ON THURSDAY, JUNE 29, 1989

I feel very honored to be here this afternoon, in the presence of such a talented group of people, and of the Members of Congress who encouraged the students to participate.

The wide range of perspective which I experienced in the Cannon corridor struck me as a symbol of the arts and their relationship to the individual. Throughout history, the arts have been a constant in defining the climate of the times as seen through the eyes of the individual. With this comes great freedom, yet a certain responsibility as well. Responsibility to be truthful to one's self through art. As an actor, I seem to be a channel to others, yet to myself as well. My individual experience of the process and growth derived go hand in hand. So, I thank you for the inspiration I found in your expressions of yourselves as individuals.

REUSABLE MATERIALS TO EASE THE SOLID-WASTE CRISIS

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. GEKAS. Mr. Speaker, recently at a ground breaking ceremony at the Susquehanna University, I had the opportunity to speak with members of the distinguished faculty. The faculty of this fine institution is concerned about the environmental problems which society faces. One member of the faculty, Robert Goodspeed, professor of geology, has published his opinions and ideas about the mounting problem of waste disposal which shed light on possible solutions.

Professor Goodspeed spoke of a rule of nature in which there is no such thing as "away." Our violation of this rule manifests itself when the trash we throw "away" reappears: in our lakes, drinking water and on our beaches. It should be our responsibility to encourage the development of completely reusable packaging to reduce the mountains of waste which are marring the luster our land once had.

Now, I draw the attention of my colleagues to the article written by Professor Goodspeed, which deals with this problem of solid waste disposal.

CHOKING ON THROWAWAYS

(By Robert M. Goodspeed)

In recent months, we've become accustomed to the news of daily closings of landfills, the rarer openings of improved waste disposal sites, and the escalating costs of disposal. All seem to be the results of the recently instituted regulations of Pennsylvania's Department of Environmental Resources (DER).

Reports indicate that the DER is aware of many of the potential problems and that, at least, a partial or short-term "solution" is to ship our garbage out of this region, say, to Western Pennsylvania.

This and other information leads us to believe that, as new landfills begin to replace those closing antiquated "dumps," we can rest assured that we'll be able to rid ourselves of waste efficiently, albeit at higher costs. It leads us to believe that we'll be doing our part as responsible citizens by following the mandatory recycling regulations.

The ultimate goal of DER and other lawmakers seems to be further prevention, while helping to clean up leaking, outdated waste disposal sites that are degrading our environment. No one can fault them for attempting these notable aims. However, we've not begun to attack the real problem.

We're not looking at the real cause of the problem: Our society is producing and using too many disposable products. The public is being tricked into thinking that they're getting a good deal by only being asked to throw away products when they are no longer useful.

One rule of Nature is that there is "no away." Everything has to go somewhere. The motto by which it seems our society lives by is: It's no longer our problem if we can no longer see it, smell it, or trip over it.

Wouldn't it be much better for our environment and society if we eliminated disposables? Think about a life without non-returnable glass bottles, disposable lighters, flashlights, tin cans, one-use aluminum and paper products, plastic dishes and utensils.

Even recyclable products require melting and complete reprocessing. Many paper products today are unacceptable for reprocessing because of an ingredient or chemical used in its manufacturing. These items comprise a large part of the bulky waste materials that must be eliminated each day. Without the disposables we use daily, there just might be enough suitable landfills to meet our waste disposal needs for many years.

One possible solution might be for national and state legislators and local officials to focus their attention and energy on forcing industry to create reusable—not recyclable—products. Reusable products would be returned to the marketplace in their original state after being cleaned, sterilized, refilled or whatever its original use dictates.

This solution to the waste-disposal problem would require a radical change in our lifestyles. We'd be expected to return those goods when they've exceeded their usefulness.

It's time that we realize that our society gives companies the incentive to produce throwaway products and even recyclable products at ever-escalating rates. Companies will continue to produce them because we continue to purchase them.

Meanwhile, the shrinking number of waste-disposal sites, despite some improvements, will continue to be overloaded, and our environment will continue to be degraded. Our costs for disposal will continue to rise while our natural-resource base will continue to shrink.

This will happen unless each of us becomes more willing to push for more sound inducements, legislation, and enforcements to reduce, and even eliminate, portions of the growing volume of waste we find necessary to dump into someone else's backyard. Such actions would make far fewer demands on the continued exploration and mining of many related natural resources used to produce the vast quantities and forms of energy required to make, transport and bury garbage. Our environment and our society would benefit from such positive actions.

Why do humans require throwaways when there is "no away?" It's a matter of choice. We can either continue to bury ourselves and others in garbage or we can refuse to accept programmed obsolescence

of the present-day garbage we have been using and dumping.

Even wild animals seem to have better sense than to defile their environments than we have demonstrated historically.

CONGRATULATIONS EXTENDED TO THE NEW PRESIDENT OF THE LOUISIANA FARM BUREAU

HON. RICHARD H. BAKER

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. BAKER. Mr. Speaker, I would like to take this opportunity to extend a warm welcome to the newly elected president of the Louisiana Farm Bureau, Ronnie Anderson. Ronnie has been active within our farm community for years. He has a successful dairy and beef cattle business, and farms corn, soybeans, and wheat in East and West Feliciana Parishes. His qualifications for this position are unmatched. I believe that Ronnie will continue the positive policies and programs of the Louisiana Farm Bureau, and will contribute much to the success of Louisiana's farm community. I welcome Ronnie to this important and rewarding position, and I am looking forward to working closely with him and my friends of the farm bureau.

EXPLANATION OF VOTE

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. PORTER. Mr. Speaker, no issue has been of greater importance to me than the question addressed by H.R. 2022, considered on the floor of the House today, the presumption of persecution that should obtain regarding Soviets seeking refugee status and admission to the United States. I wanted to participate in the debate on this matter and have submitted my remarks for the permanent record, but a very heavy afternoon schedule did not permit my doing so. At 4 p.m. today it was necessary for me to be in the House recording studio to record two radio interviews of a half hour each. When I checked at the desk with the recording studio's receptionist, I explained that an important vote was coming up and would she please make certain that I was informed when it occurred. She said that that would be done, but, Mr. Speaker, I was not informed that the vote on final passage of H.R. 2022 was occurring during the taping of the interviews and consequently did not come to the floor and cast my vote. Obviously, had I been informed that the House was voting, I would have interrupted the interview and come to the floor and cast my vote in favor of final passage of this important legislation (rollcall No. 139).

HONORING THE AMERICAN LEGION, MARYLAND DEPARTMENT

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. CARDIN. Mr. Speaker, on July 12, 13, and 14, 1989, the Maryland Department of the American Legion 71st Annual Convention is being held in Ocean City, MD. Formed in 1919, the American Legion has nearly 3 million members.

The American Legion helps us preserve the memories of the sacrifices that American soldiers have made in the duty of serving their country.

The American Legion helps us remember our history and appreciate the sacrifices and heroism of those who fought. It has been 14 years since the fall of Saigon; almost 36 years since the cease fire was agreed to in Korea; more than 43 years since the end of World War II; and 71 years since World War I. The American soldiers who answered the call to arms during these wars were not looking to be heroes, but they became heroes.

They did not go to war to conquer other lands, or vanquish other peoples. They went because they loved their country. They loved their country enough to risk their lives to defend it and keep it free.

I urge my colleagues to join me in honoring the Maryland Department of the American Legion on the occasion of their 71st Annual Convention.

LOOKING TOWARD EASTERN EUROPE WITH A SENSE OF PRIDE

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. LIPINSKI. Mr. Speaker, I rise today as one of the millions of Polish-Americans who are looking toward Eastern Europe with a sense of pride today. Poland, a land where the spirit of freedom was crushed but never extinguished, has received the man who represents that freedom to people worldwide. President Bush has completed his 2-day journey through the streets of Polonia, and though the trip has widely been regarded as symbolic, people of Polish descent, from Cracow to Chicago, must admit to a new sense of dignity today. West came to meet East, and for the first time in 40 years, the common bond was democracy.

How improbable such an encounter seemed just 1 year ago, Mr. Speaker. How inconceivable it once seemed to see an American President walking through the shipyard where Solidarity was born, or watch as the leader of the free world lay a wreath at Poland's Tomb of the Unknown Soldier. How unlikely we once thought the possibility of Mr. Bush not only getting a chance to break bread with Lech Walesa, but doing so while General Jaruzelski sat at his side. It was after all, only 2 years ago, when the same Jaruzelski declared the outlawed Solidarity dead and buried to then Vice President Bush. How wrong Jaruzelski turned out to be. The Pole's quest for liberty may have been outlawed, but it was very much alive. With President Bush in their homeland for the last 2 days, the Polish citizens were able to exclaim what they have been feeling in their hearts for many years—communism has failed the people, and a new age must begin.

The role of the United States in this new era has of course been cause for much controversy. Solidarity asked for $10 billion over the next 3 years to rebuild an economy crushed by Marxist policies that could not work. Needless to say, despite our strong support of democracy, capitalism, and liberalization in Poland, such direct aid could not be forthcoming. It has become clear that this is no longer 1948. We no longer have the economic resources to pick up friend and foe alike, and viable economic plan for reform. As Mr. Bush told the Polish parliament, "The United States stands ready to help as you help yourselves."

Contrary to the beliefs of some, the Poles understand very well the difficulty that lies ahead for them. They suffered in the invasion of Hitler, they have suffered for decades under Soviet oppression, and they realize the hardships that will exist with economic reform. The Poles have been idealistic in their search for independence, but they are realistic in the knowledge of difficulties that lie ahead. Prime Minister Mieczyslaw Rakowski recently told the Sejm: "Every day I have been overwhelmed by awareness of the fact that the model Poland of my dreams, a well-managed country governed by sound and just laws and populated by reasonably happy people, is impossible to achieve in a year, two or even five." President Bush need not fear inciting a country that does not understand the dangers of its situation. The Polish people understand more clearly than any American citizen what it means to be suppressed by the Soviet regime. For them, democracy is not something to be taken for granted, but something to be cherished. While describing American reluctance to provide more money to Poland until further reforms are planned, John Sununu, the President's Chief of Staff, compared the plight of Poland to an undisciplined young person in a candy store. Poles seeking only a pound of meat or a roll of toilet paper have stood in too many lines to be patronized with such rhetoric. For decades they have dreamed not of anything as luxurious as candy but of things as basic as food for their meals and the right to live as free human beings. Mr. Walesa has been the most vocal in telling the world that Poland needs help immediately. "We are at the end of a rope, we deserve in the world and Europe, better treatment," he has said. "We agree the reforms will reach far, and they will. We shouldn't wait. There's not time to wait." The caution of President Bush is understandable at this time—budget realities make American's role limited, and we want to make sure Poland has solid economic plans. But Mr. Walesa is correct. Poles have waited too long to join the West, and the West has been waiting too long for the opportunity to extend a

helping raise them out of the ashes of economic destitution. The Marshall Plan was one of, if not the most, successful foreign policy ventures in history, and from it we were able to rebuild many of the same nations that now provide our competition. However, that competition, along with the expensive military protection of these countries, has meant that we can no longer afford any new Marshall Plans. We no longer dominate the world market, and that means we can no longer carry the full burden of resurrecting those in need. Poland must know that it will always enjoy this nation's unwavering support in its struggle for independence. But other Western nations must also know that it is going to take worldwide cooperation to get Poland back on its feet. We have protected our allies militarily for the past 40 years, but the battlefield has shifted. We have entered an age in which financial strength is as important as military might, and thus it has become more and more clear that is time for our allies to make their contribution to protecting democracy worldwide.

Nations like West Germany and Japan, which once benefited from American money after World War II, now must realize that the time has come to return the favor. Next week in Paris, those nations will be able to pledge that support. President Bush promised the Polish citizens that he would make their plight a priority at the economic summit meeting in Paris. He must carry out that pledge, and the world's other economic powers must repond if Poland can ever hope to emerge from the economic black hole that threatens to devour it. In the financial reality of 1989, the United States cannot carry the burden alone, but with a consortium of European nations and Japan providing assistance, Poland can indeed be rebuilt. Surely economic powers like West Germany and Japan can see what benefits are to be gained from the addition of every new trading partner. They have the opportunity to join with the United States in supporting budding capitalism, and in the process to help themselves. Poland with be counting on their support. In the meantime, the United States can promise greater American support tied to the continued formation of a hand. With the rest of the world, we must not lose this historic chance to aid a nation which yearns only for freedom and economic recovery.

COAST GUARD MAKES RECORD DRUG BUST

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. FASCELL. Mr. Speaker, last week, the Coast Guard, in cooperation with the Customs Service and the National Narcotics Border Interdiction Service [NNBIS], made one of the largest drug seizures in the country.

Three thousand three hundred pounds of cocaine were found in a Panamanian freighter off Key West. The story behind this seizure bears testimony to the dedication and bull-dog determination of the outstanding personnel who conducted this operation.

Upon receiving intelligence from Customs that the freighter was transporting a huge amount of illegal drugs, the Coast Guard launched surveillance flights and located the vessel. A boarding party searched the vessel but was unable to locate the contraband in the large cargo of cement. Still convinced that it was there, the Coast Guard wanted to escort the vessel to Key West where a more thorough search could be done. However, this required approval of the Panamanian Government and we are all aware of that government's record—particularly, its leader, General Manuel Noriega—with respect to drug trafficking.

With some ingenuity, the Coast Guard contacted the Panamanian Government in exile and received permission to bring the freighter into port at Key West.

Following a search that totalled eleven hours, the Coast Guard hit paydirt—one of the largest seizures of cocaine in the history of our narcotics interdiction effort.

Mr. Speaker, the men and women involved in this seizure, from Adm. Paul Yost, Commandant of the Coast Guard, down to the men who crawled through the cement to find the secret hiding compartment, deserve our congratulations and thanks. While I continue to believe we will not put an end to the drug problem in this country until we put an end to the demand for the product, we must continue to make it difficult for those who traffic in drugs to carry out their trade.

Last week's seizure certainly had to make a dent in the cocaine supply. We should keep this in mind as we consider appropriations bills in the next few weeks to fund the Customs Service, Coast Guard and the anti-drug program in general.

In the meantime, I urge our colleagues to join me in extending our heartfelt thanks and congratulations for a job well done.

TRIBUTE TO THE OUTSTANDING CONTRIBUTION MADE BY JAMES H. "JIMMY" GRAUGNARD, PRESIDENT OF THE LOUISIANA FARM BUREAU

HON. RICHARD H. BAKER

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. BAKER. Mr. Speaker, I would like to take this opportunity to extol the outstanding contribution Mr. James H. "Jimmy" Graugnard, has made to the Louisiana Farm Bureau. For the past 26 years, Jimmy has been president of one of the most influential and highly respected farm bureaus in the United States. It has been my honor to have worked with him closely during some of these years. Since Jimmy's advice and recommendations were sought out by all of us, including many U.S. President's, we will sorely miss his input into developing sound farm policies. Clearly, Jimmy's leadership ability and personal style will be sorely missed. I wish Jimmy the best in all future endeavors and that his future remain bright. I will deeply miss his leadership as president of the Louisiana Farm Bureau.

REAUTHORIZATION OF VISTA

HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. MARTINEZ. Mr. Speaker, there is a song that says "What the world needs now is love, more love." That's VISTA. VISTA is about Americans just saying yes to working to build a better America because they love their country, and the people in it. VISTA is about volunteers—those million points of light that bring growth in understanding, compassion, and humane change. It allows the public and nonprofit sectors to work together in one of the most effective programs our Nation has.

The VISTA Literacy Corps attacks one of the most subtle and prevalent problems in America today, a problem that is the root cause of many of our social problems—including poverty, drug abuse, and homelessness.

The administration called for dismantling the literacy corps. This legislation demonstrates strong congressional support for the literacy corps. It incorporates my amendment to provide technical assistance to strengthen local literacy programs. Too often literacy programs have had to reinvent the wheel. This measure builds on the "National Clearinghouse for Literacy Education" established under the Adult Education Act to get word about what works out to all who help build effective literacy.

VISTA is a model and a foundation to build on in any future youth services program. I urge my colleagues to support this important measure.

LT. COL. JAMES M. SULLIVAN

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. STOKES. Mr. Speaker, Lt. Col. James M. Sullivan from the Office of Legislative Affairs, United States Air Force, is about to depart for a new assignment in Misawa, Japan.

For the past 3 years, Colonel Sullivan has served with distinction as he coordinated and defended several key Air Force intelligence programs. As the former chairman of the House Permanent Select Committee on Intelligence, I can personally attest to his professionalism, candor and resourcefulness.

Mr. Speaker, Colonel Sullivan is a fine example of the dedication we need in our Armed Forces today. I congratulate Col. Jim Sullivan for a job well done and wish him and his family well-deserved success for the future.

THE ADMINISTRATIVE LAW JUDGE CLASSIFICATION ACT OF 1989 (H.R. 2885)

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. GILMAN. Mr. Speaker, today I am introducing legislation aimed at correcting an inequity in the existing classification structure affecting Administrative Law Judges (ALJ's). This past spring the Committee on Post Office and Civil Service completed a series of hearings concerning the recommendations of the National Commission on the Public Service. Included in those testifying before the Committee were witnesses representing various ALJ organizations detailing their specific observations and experiences regarding the current state of Federal compensation. Witnesses pointed out that one of the problems of the current pay system involves the disparity in grade structure between GS-15 and GS-16 ALJ's. H.R. 2885 is intended to correct this problem by reclassifying all GS-15 level ALJ's and GS-16 level administrative law judges.

Administrative law judges are the presiding officers in both adjudicative and rulemaking proceedings conducted by administrative agencies. They play an important part in the administration of justice at the Federal level. The current distinction between GS-15 level ALJ's and GS-16 ALJ's is the degree of latitude the employee has in the exercise of independent judgement. Under current law, sections 5104(16) and 5104(15) of title 5, United States Code, the position of GS-16 ALJ includes the performance of work with an unusual latitude for the exercise of independent judgement, while the GS-15 position includes the performance of work with very wide latitude for the exercise of independent judgment.

H.R. 2885 removes this spurious distinction. During the hearings, the Committee received testimony urging the Committee to adopt legislation which would treat the functions and responsibilities of the Administrative Law Judge in the GS-15 or GS-16 levels as being of equal complexity and flexibility. The disparity in grade structure is outdated and no longer truly identifies any distinction in the expertise required for work as an ALJ.

Mr. Speaker, I believe the Federal pay and benefit system is in serious need of reform. The Committee hearings identified several key areas that Congress should review if it wishes to retain a competent and motivated workforce. The legislation I am introducing today represents a small step toward achieving this goal. Accordingly, I urge all my colleagues to join me in this effort by sponsoring this legislation. I insert the full text of this bill at this point in the RECORD:

H.R. 2885

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENTS TO TITLE 5, UNITED STATES CODE.

That (a) section 5372 of title 5, United States Code, is amended—

(1) by inserting "(a)" before "Administrative"; and

(2) by adding at the end the following:

"(b)(1) Notwithstanding subsection (a) or any other provision of law, the position of any administrative law judge under subsection (a) which is classified at GS-15 (determined disregarding the provisions of this subsection) shall, for all purposes, be deemed to have been classified at GS-16.

"(2) Any individual who, under subchapter VI, has a retained grade of GS-15 and who otherwise satisfies the requirements of paragraph (1) for having such individual's position treated as if classified at GS-16 shall be covered by such paragraph for so long as such individual continues to have that retained grade and otherwise satisfy those requirements."

SEC. 2. EFFECTIVE DATE; TRANSITION RULES; OTHER PROVISIONS.

(a) EFFECTIVE DATE.—This Act shall take effect as of the first day of the first fiscal year beginning on or after the date of enactment of this Act.

(b) TRANSITION RULES.—The Office of Personnel Management shall prescribe regulations under which the rate of basic pay for any administrative law judge who is appointed under section 3105 of title 5, United States Code, and whose position (as of the effective date of this Act) is classified at GS-15 of the General Schedule, shall be brought into conformance with the amendments made by section 1. Under the regulations, if, as of such effective date—

(1) the administrative law judge is receiving a rate of basic pay which is less than the minimum rate for GS-16, the rate payable shall be increased to that minimum rate;

(2) the administrative law judge is receiving a rate of basic pay which is equal to a rate under GS-16, the rate payable shall not be changed under this subsection; and

(3) the administrative law judge is receiving a rate of basic pay which is between 2 rates for GS-16, the rate payable shall be increased to the higher of those 2 rates.

The regulations shall include appropriate transition provisions relating to any individual who, as of the effective date, meets the requirements of section 5372(b)(2) of title 5, United States Code (as added by this Act).

(c) OTHER PROVISIONS.—

(1) CONVERSIONS NOT TO BE TREATED AS TRANSFERS OR PROMOTIONS.—The conversion of positions and employees to GS-16 of the General Schedule, and the initial adjustment of rates of pay of those positions and employees, under this Act shall not be considered to be transfers or promotions within the meaning of section 5334(b) of title 5, United States Code.

(2) TIMING RULE.—Each administrative law judge on the effective date of this Act whose position is reclassified under this Act and who, prior to the initial adjustment of his rate of pay under subsection (b), has earned, but has not been credited with, an increase in that rate, shall be granted credit for such increase before his rate of pay is initially adjusted under that subsection.

(3) CREDIT FOR STEP INCREASES.—Each administrative law judge on the effective date of this Act whose position is reclassified under this Act shall be granted credit, for purposes of his first step increase under the General Schedule, for all service performed by him since his last increase in pay prior to the initial adjustment of his rate of pay under subsection (b).

(4) ADJUSTMENT NOT AN EQUIVALENT INCREASE IN PAY.—An increase in rate of pay by reason of the enactment of subsection (b) shall not be considered to be an equivalent increase in pay for purposes of section 5335 of title 5, United States Code.

SENDING THE WRONG SIGNAL TO CHINA

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. WEISS. Mr. Speaker, the number of arrests and executions in the People's Republic of China continues to rise as Chinese Government broadens its nationwide crackdown on the prodemocracy movement. Press reports indicate that, since the brutal massacre in Tiananmen Square, over 10,000 people have been arrested or detained and 36 have been executed. And the hard-line government in Beijing announced this week that martial law would be extended indefinitely.

Yet our Government remains divided on the issue of the appropriate U.S. response to these events. Congress and the American people are of one voice in calling for more stringent measures against the Chinese Government. As indicated by the strong sanctions unanimously approved by the House on June 29, Members of Congress clearly believe that the Chinese Government's campaign of violence demands the strongest response from the United States.

The Bush administration, however, is moving in precisely the opposite direction. Rather than increasing the pressure on the Chinese Government to make needed reforms, the State Department announced on July 7 that it would soften the United States position by lifting certain trade sanctions against China. The new decision allows four Boeing jetliners to be delivered to Beijing, even though such deliveries would clearly violate the restrictions already announced by the President.

The decision to lift the U.S. trade sanctions and to allow these Boeing deliveries is inconsistent with the expressed will of Congress and is out of step with the views of an overwhelming majority of the American people.

Most importantly, this weakening of the U.S. response sends the wrong signal to the hard-line government in Beijing. So long as the Chinese Government systematically attempts to silence the democratic aspirations of its own people, the United States should be thinking about strengthening rather than weakening, the American response.

DANNY WHITE WAS A GREAT QUARTERBACK FOR AMERICA'S TEAM

HON. RICHARD K. ARMEY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. ARMEY. Mr. Speaker, one of my constituents made bittersweet news yesterday, drawing a close to a stellar career as the quarterback for "America's team." Danny White of Allen, TX, will no longer grace the

playing fields of the NFL as the Dallas Cowboys' top signal caller, ending 13 years with that famed organization.

Danny signed with the Cowboys in 1976 and has left his mark on the team's record books. The Pro-Bowler holds the Cowboy record for career completion percentage, 59.7; season completion percentage, a remarkable 63.2 percent in 1982; and all-time touchdown pass leader with 155. Apart from his notable success as quarterback, White was named to the Cowboys' 25th anniversary team as punter in 1984.

Today, I'd like to add my name to the long list of professional athletes and Texas citizens who are wishing Danny well as he pursues life off the middle of the field. Danny White is a role model for aspiring young athletes across the country—a class act both on and off the field. I'm proud to have rooted for a quarterback of his caliber for the past 13 years, and just as proud to have represented in Congress a citizen of his caliber for the past 5 years.

Thanks for all the great Sunday memories No. 11, and best of luck.

TRIBUTE TO REV. HARRY L. BATTS

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. PAYNE of New Jersey. Mr. Speaker, I would like to ask my colleagues to join me in paying tribute to a man of dedication and commitment to the service of others, Rev. Harry L. Batts. This week marks a very special occasion, as Reverend Batts is commemorating his 18th anniversary as pastor of Messiah Baptist Church in East Orange, NJ.

Reverend Batts has given generously of his time and talent to enhance the lives of those around him. His contributions to the community are many and diverse. Out of concern for the hungry and homeless. Reverend Batts instituted the free lunch program at Messiah Baptist Church. A hot, nutritious meal is served there 5 days a week.

Reverend Batts is presently chaplain of the East Orange Police Department. He served as a member of the board of police commissioners for 12 years, and has also held the position of president. He was on the board of directors at the College of Medicine and Dentistry of New Jersey and served as a board member of the Psychiatric Institute of East Orange. He was chaplain of the Essex County Jail for 8 years, and was also one of the first males to become a member of the New Jersey Council of Negro Women.

Before coming to New Jersey in July 1971, Reverend Batts was pastor of the Mount Olive Baptist Church at Virginia Beach, VA. He was the pastor of the first church of that city, and also taught school there. He was the first black in the history of Virginia Beach to run for the office of city council.

Reverend Batts holds an associate of arts degree and a bachelor of science degree from Virginia College. He holds a master of divinity degree and a doctor of divinity degree from Virginia Seminary, and a master's degree in counseling from the Blanton Peal Institute of New York.

Mr. Speaker, Reverend Batts' work in church and community affairs has touched the lives of many people. Please join me in honoring this outstanding minister of his 18th anniversary as pastor of the Messiah Baptist Church.

CONGRESSIONAL CALL TO CONSCIENCE VIGIL FOR SOVIET JEWRY: 1989

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. HALL of Ohio. Mr. Speaker, I would like to take this opportunity to bring to the attention of my colleagues the ongoing struggle of the people of the Soviet Union for religious freedom. As in the past, I rise once again to participate in the Congressional Call to Conscience Vigil and openly condemn the oppression of Jews in the Soviet Union.

Over the years, I have supported the causes of many refuseniks in their struggles for religious freedom. Residents of my district in Ohio have personally taken responsibility for these cases. Recently, our concern and attention were rewarded when Boris Lifshitz of Moscow and his family, refuseniks since 1979, were finally granted permission to emigrate. They now live free in Israel.

I greatly appreciate the cooperation that I have received from the Soviet Government in resolving this particular case; however, the fact that thousands of Jews remain in the Soviet Union against their will is still deplorable. I feel that it is unfortunate that an initiative such as the Congressional Call to Conscience Vigil is a necessary means by which fundamental human rights must be obtained. As the spirit of glasnost has swept the Soviet Union, there have been dramatic changes in many areas, including the increased emigration of refuseniks. It is time that we take full advantage of this social "openness" and obtain freedom for the oppressed in the Soviet Union.

I would like to share with you the personal tragedy of Boris Kelman who has been a refusenik since 1978, when he and his family first applied for exit visas from the Soviet Union. Though over the next year more than 50,000 Jews were permitted to leave the country, Kelman was denied because the Soviet Government claimed that he had been exposed to state secrets. Upon application for emigration privileges, Kelman was forced to leave his profession as an engineer and had no choice but to accept a series of menial jobs. Because of his refusenik status he has little possibility of advancement.

For his wife, Alla, the situation is much the same. When the family applied for emigration, she lost her job as a pediatrician and was unemployed for quite a while. She now works in the Leningrad Polyclinic and has a difficult professional life. She is known as "the refusenik doctor of Leningrad," and she sees to the medical needs of many of her fellow refuseniks.

The Kelmans have two sons, Maxim and Efim, both students.

In the last 10 years, the Kelmans have become leaders of the Jewish community in Leningrad. Despite their hardship and suffering, the family now enthusiastically observes the rituals of Judaism. Kelman has been described by a friend as having an "evangelical mission in life, which is to pass his newfound zeal for Judaism to others."

Unfortunately, in the shadow of religious intolerance this mission may not be accomplished. The Kelmans and the multitudes of others in the same situation yearn to escape from their oppressed existences and see the light of freedom awaiting them outside of the Soviet Union. Let us hope that the idea of glasnost is not just an empty promise and that Boris Kelman and his family as well as the thousands of other refuseniks may soon live free.

TRIBUTE TO LENNY WILKENS

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. STOKES. Mr. Speaker, I would like to bring to my colleagues' attention the many contributions Mr. Lenny Wilkens, head coach of the Cleveland Cavaliers, has made to the sports world. I am honored to have this opportunity to praise one of Cleveland's favorite sons and its winningest coach. In May of this year, Coach Wilkens' long and outstanding career as a coach and a player earned him entry into the National Basketball Association [NBA] Hall of Fame.

Mr. Speaker, I am pleased to share with my colleagues the following sketch of Lenny Wilkens, which appeared in the Cleveland Cavaliers 1988-89 Media Guide. After you have read it, you will join me in saluting Coach Lenny Wilkens for his leadership of the Cleveland Cavaliers.

In just three seasons, Lenny Wilkens has been the commander of one of the greatest resurgences in NBA history. Coach Wilkens has taken a veteran Cavs' team that won 29 games in 1985-86 and transformed them into a team that went 42 and 40 this season with one of the most youthful rosters in the league.

Wilkens, one of the most popular members of the Cleveland Cavaliers in the early 1970's, guided the Cavs to their best record since the 1977-78 season when the team finished 43 and 39. He has accomplished a great deal in a brief period of time by displaying the same traits that characterized his career as a player—his outstanding work ethic, his ability to build good working relationships, and his ability to think on the court.

In June 1986, Wilkens became the 10th coach in the 18-year history of the franchise, after serving as the general manager of the Seattle SuperSonics during the 1985-86 season. He is a 15-year veteran as a head coach in the league, having coached 1,208 regular season NBA games. With 626 wins, Wilkens is eighth on the all-time winningest NBA coaches list and he is the fourth winningest active NBA coach.

Under the direction of Coach Wilkens, the Cavaliers made their fifth playoff appearance in franchise history in taking the Chicago Bulls to five games last spring. It was the team's first playoff berth since the 1984-85 season and the second postseason opportunity of the Cavaliers in the last 10 years. The Cavs improved 11 games in the 1987-88 season from their slate of 31 and 51 in Wilken's first season.

The Cavaliers improvement has stemmed from their solid play at the Coliseum. One of Coach Wilkens' first goals in Cleveland was for his team to establish themselves at home. That is exactly what this season's edition of the Cavaliers was able to do. The Cavs posted a 31-to-10 mark at the Coliseum, the best home season in team history. The Cavaliers concluded the regular season with eight straight home wins and with victories in 15 of the last 17 games played at the Coliseum. As a result of the Cavs 9 and 2 record in April, Lenny was named the NBA's Coach of the Month. In his two seasons at the coach of the Cavs, Cleveland is 56 and 26 (.683) at the Coliseum.

Wilkens, 50, previously served as a player-coach for Seattle in 1969-72, and for the Portland Trail Blazers from 1974-76. He returned to Seattle as head coach midway through the 1977-78 season, and remained as the head coach through the 1984-85 campaign before moving to the front office as general manager.

The Sonics made the playoffs in six of the last eight seasons under Wilkens, including the 1977-78 and 1978-79 seasons when the Sonics advanced to the World Championship Series. In the 1978-79 campaign, the Sonics finished with a 52 and 30 record, giving them their first Pacific Division Title. They went on to defeat the Los Angeles Lakers 4 to 1 in the conference semifinals, and then won their second consecutive western conference title from the Phoenix Suns 4 to 3. In the NBA finals, Seattle downed the Washington Bullets in a rematch from the previous season, four games to one.

Wilkens enjoyed a 15-year playing career in the NBA, and he ranks among the career all-time leaders in assists, second with 7,211, games played, minutes played, free throws made and he was named most valuable player in the 1971 All-Star Game in San Diego.

A first round draft choice in the 1960 draft, Wilkens spent his first eight NBA seasons as a member of the St. Louis Hawks. In 1968, Wilkens was traded to Seattle, where he spent the next four seasons. Then in 1972, Lenny became a member of the Cavs when he was acquired along with Barry Clemens in exchange for Butch Beard. Wilkens represented the Cavaliers in the 1973 NBA All-Star Game, in a season when he averaged 20.5 points and 8.4 assists per game. Wilkens concluded his playing career with the Trail Blazers in the 1974-75 season as a player-coach.

Wilkens played his college ball at Providence College, and he led his freshman team to a 23 and 0 record. In his junior year, the Friars lost in the semifinals of the National Invitation Tournament, but in his senior season (1959-60), Providence reached the NIT finals losing to Bradley. He was named as the tourney's MVP and was a first-team selection to two All-American teams. In March of this year, Lenny was selected to join the NIT-NIKE Hall of Fame, joining such basketball legends as George Mikan, Tom Gola, Walt Frazier, Erni Claverly, Maurice Stokes, Ed McCauley, and Larry Bird. Wilkens graduated from Providence with a degree in economics.

Lenny has also given generously of his time to various charitable causes during his playing and coaching careers. Most recently, he has worked with the Boys and Girls Clubs of Greater Cleveland and the Catholic Diocese of Cleveland, as well as speaking to as many service organizations as his schedule permits. In addition, Lenny served as the honorary chairman of the 1988 Marymount-Cavs RP Golf Classic which benefits the RP Foundation Fighting Blindness, as well as chairing the 1988 Make-A-Wish golf tournament. Also, he was honored at the annual Shoes For Kids luncheon in August as the recipient of the organization's "Golden Shoe Award," in recognition of his involvement with their program.

Lenny was born in the Bedford-Stuyvesant section of Brooklyn, NY. He and his wife Marilyn have three children—Leesha, Randy, and Jamee.

TRIBUTE TO TOOELE ARMY DEPOT

HON. JAMES V. HANSEN

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. HANSEN. Mr. Speaker, every year, the Army makes an annual presentation to the military installation with the best environmental protection and enhancement program during the previous 2-year period. Today, I stand before my colleagues as the proud representative of Tooele Army Depot, which has been selected as the winner of the 1989 Secretary of the Army Environmental Quality Award.

Tooele Army Depot is responsible for the maintenance of wheeled vehicles and troop support equipment. Located 40 miles from Salt Lake City, it employes 4,000 civilians and is ideally located to support its mission. In addition to Tooele's mission of depot maintenance, it is tasked with the responsibility of overhauling of engines and transmissions, and the storage of conventional and chemical ammunition.

Few would dispute the need to deal with America's waste problems. While some might attempt to escape the obligation to take quick and decisive action, Tooele met its environmental problems head on. A new waste treatment plant is in operation, and Tooele recently broke ground on a consolidated maintenance facility that will eliminate even more industrial waste from discharging into the environment. It also instituted an Environmental Management Board, giving executive-level attention to its environmental concerns. The results have not only had a positive impact on the environment, it improved the quality of work life for the people.

Environmental protection is a top priority for Tooele Army Depot. It is committed to a clean, safe environment and preserving America's natural beauty. Its achievements in environmental quality offer a welcome opportunity of building a partnership between Federal, State and local governments.

I view this award as the launching pad for a new direction in environmental protection to insure a safe environment for future generations. I congratulate Tooele for taking the initiative, and for its selection as the winner of the 1989 Secretary of the Army Environmental Quality Award.

A TRIBUTE TO ARNOLD SPIROFF

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. COSTELLO. Mr. Speaker, today I want to bring to the attention of my colleagues an act of heroism that took place in my congressional district.

On April 8 of this year, Arnold Spiroff of Granite City, IL, was on duty in his position as security officer at the Charles Melvin Price Support Center. At about 10 o'clock that evening, he received a call involving a child nearby who had stopped breathing.

Eleven minutes later, Officer Spiroff reached the residence of Sgt. Gloria Pedroza and saw her cradling her 5-month-old son. Spiroff performed cardiopulmonary resuscitation on the boy, part of his training recommended as a security officer at the base.

While ambulatory services responded to the emergency call, Spiroff was able to clear the infant's breathing passages and breathe oxygen into his lungs. Emergency paramedics later confirmed that the security officer's actions had saved the life of the child.

On July 11, Officer Spiroff was awarded the Meritorious Civilian Service Award at the Price Support Center. I want to use this occasion to express my gratitude and that of my colleagues to him for his truly heroic actions that night.

It is too seldom that we pause to thank a fellow citizen for their efforts to lend a helping hand in an emergency situation. However, Officer Spiroff's actions saved a life of a child, and he deserves our deepest recognition and appreciation.

INSURANCE CRISIS REVISITED

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. FEIGHAN. Mr. Speaker, there has been much discussion in recent years on ways to increase affordability and availability of various lines of insurance. On Capitol Hill, we have focused on the antitrust exemption which has long applied to the insurance industry. Last year the Subcommittee on Economic and Commercial Law, on which I serve, examined this topic at length and decided that some modifications to the McCarran-Ferguson Act,

the statute that provides this exemption, would help the "insurance crisis." This year our subcommittee will again consider this issue. Mr. Speaker, I think we should go forward cautiously. The insurance industry has recently taken a bold and beneficial step: The Insurance Service Office [ISO] has ceased publication of final advisory rates. Many considered these rates to be tantamount to fixed prices and thus contrary to consumers' best interests. I think we should give the insurance industry a chance to implement and then adjust to this dramatic change before repealing the Federal statute which has governed insurance for over 40 years.

The recent change by the Insurance Services Office [ISO] is significant. Responding to widespread public concern over its practices, the insurance industry unilaterally decided to cease publication of final advisory rates. ISO previously performed four functions for its members: loss data collection, historical loss analysis, trending, and final advisory rating.

No one disputes the need for central collection of loss data and actuarial analysis. However trending—the extrapolation of that data and analysis to predict future loss experience—and final rating—adding costs and overhead to estimate what companies should charge—were both subject to much criticism as anticompetitive. ISO has thus voluntarily responded to the criticism by eliminating the last—and most offensive—practice. Many of the smaller companies claim that it will take them some time to adjust to the loss of this service. They will need to perform a greater amount of calculations themselves to get to each rate. I think it might be wise to let the industry adjust to the new, truncated system before taking additional steps which might further disrupt the market. The insurance industry plays an important role in the smooth functioning of our economy; we must be cautious before making significant changes in the Federal statute regulating it.

REMEMBERING WATERGATE: KEY SENATE REPORT ISSUED 15 YEARS AGO TODAY

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. STARK. Mr. Speaker, 15 years ago today the final report of the Senate Select Committee on Presidential Campaign Activities was released. The evidence contained in the report elucidated the fact that "campaign practices must be effectively supervised and enforcement of the criminal laws vigorously pursued against all offenders—even those of high estate—if our free institutions are to survive."

The report included 35 legislative proposals including an independent and permanent public attorney, a Federal Elections Commission, limits on cash campaign contributions by individuals, reforms in reporting procedures and restrictions on solicitation of campaign funds by presidential staff, tightening of laws involving use of Federal agencies to aid the election of candidates.

An article in the Hartford Courant dated July 12, 1974, effectively indicates the need for immediate reforms in the Presidential campaign process: "America is getting numb. We are losing our ability and capacity to react. And this is a dangerous condition. Inability to remove one's self from peril, whether through lethargy, exhaustion or sheer fascination, usually is fatal. This holds for subzero weather, and certainly chilling Watergate."

Many people would have liked to be able to forget Watergate. Recorded testimony before the various committees has reached several million sentences. When the average citizens turned on his or her television set or radio during the summer of 1974 that person received an intense assault on their senses dealing with the Watergate affair in various ways. This caused many people to hide from the truth in an effort to shield themselves from the complexities of the entire fiasco.

However this report needs to be remembered. It holds 35 essential warnings to prevent another corruption of our Constitution. Now that we have been warned it is up to us to heed the warnings or suffer the consequences for forgetting.

PERSONAL EXPLANATION

HON. JIM BATES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. BATES. Mr. Speaker, I was unavoidably absent on Friday, June 23, 1989. Had I been present, I would have voted:

"Yea" on roll No. 106, approving the Journal of Thursday, June 22, 1989; and

"Yea" on roll No. 107, approving the Senate amendment to H.R. 2042, the fiscal year Department of Veterans Affairs supplemental appropriations bill.

PROBLEMS CREATED BY PEOPLE WITH DUAL ADDRESSES

HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. SAXTON. Mr. Speaker, today many individuals and families live under a dual address. One of these is their mailing address. The second address is their locatable address which usually includes a house number, always the name of their road or street, and the name of town in which they reside.

But why must there be two addresses for these people? It creates untold opportunities for confusion. One of my constituents tells the story of a neighbor who was seriously burned in a home accident—yet the emergency squad had difficulty finding him because they were using his mailing address to find him. His mailing address included the name of a town in which the victim did not live.

Today, I am introducing a bill to help put an end to this address confusion. My bill, the Locatable Address Bill provides that if a municipality and its governing body decide that the address confusion within the locale is out-of-control, then they may, at their option, adopt a single address system. That system would require that the proper name of the town be included in the third and last line of every address within that time. But there is one caveat—the proper ZIP Codes for each address must also be used. In other words, this legislation does not change the ZIP Codes already in place.

For example, there are two residences in my district that share the same mailing address, 701 Delaware Avenue, Riverside, NJ, 08075. One is actually located in Riverside. The other is in a town called Delanco that is in the Riverside Post Office delivery area. Under my bill, the town of Delanco would be allowed to use the ZIP Code of the Riverside Post Office, making their address 701 Delaware Avenue, Delanco, NJ, 08075. In that way each residence would have one locatable address.

In other words, this bill would permit the fundamental right of municipalities to correct faulty address systems to facilitate the location of property and people by anyone within the township.

One immediate advantage to my proposal is that it will save aggravation and money. When a town seeks to regain its identity, what does it do? The answer, of course, is that it seeks to have its own post office built. This bill allows that town the ability to gain its identity without engaging in a protracted fight with the Postal Service for a new post office.

Second, by adopting a locatable address system, the job of the rural mail carrier should be made easier. He or she knows more specifically where a letter should be delivered—the house, the street, and the town. They need not be confused by three roads with the same name in three different towns, which, unfortunately, all have the same third line address. Instead, the third line will indicate exactly what town the letter is going to.

The discrepancies with a dual address system also impacts census figures, the cost of insurance, and inaccurate tax payments to municipalities by states.

In fact, I recently received a letter from the mayor of Southampton Township, NJ. The letter reads as follows:

DEAR SOUTHAMPTON TOWNSHIP RESIDENT: Your township needs an accurate census and is asking for your full cooperation and special help so that we can get the best possible census result.

This is very important since the census results affect our Federal and State funding, our congressional and State representation, and a host of county, State, and Federal programs.

The address on your tax bill reflects the newly assigned property number, the street name, and the name of the postal facility that delivers your mail. To eliminate confusion we need you to write "Southampton TWP." on the census form so your count will be obviously credited to our township, not to one of the five other townships or municipalities where our delivering post offices are located. This is very important.

I urge you to join me in allowing municipalities to remedy this critical situation. Support the locatable address bill.

THE IMPORTANCE OF VOA

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. McEWEN. Mr. Speaker, over the past few months, we have heard and read of the phenomenal impact of the Voice of America in China. As many as 300 million Chinese—more than the population of the entire United States—may be listening to VOA on a regular basis for the news they can't get from their own media. This alone is an awesome accomplishment and one worthy of recognition.

But Chinese is just 1 of the 43 languages in which VOA broadcasts. In a number of countries, VOA is the leading international radio station—sometimes even more popular than the local radio station. As Poland reforms its political system for the first time in 40 years, VOA presents the American model of democracy and covers news of Solidarity in Polish. In Iran, convulsing after the death of the Ayatollah, VOA broadcasts in Farsi provide a voice of accuracy, stability, and reason. Radio Marti broadcasts in Spanish told the Cuban people the truth about the rampant corruption and human rights violations in their country long before the Castro regime did.

Mr. Speaker, VOA is a vital national resource. Richard Carlson, the Director of the Voice of America, and his staff should be proud of their unswerving dedication to informing the world. All Americans should likewise take pride in such an effective representative overseas.

THANK YOU, CHIEF KENNEDY

HON. CLARENCE E. MILLER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. MILLER of Ohio. Mr. Speaker, I would like to take this opportunity to publicly commend the 33 years of devoted service to the Amanda, OH, Township Fire Department rendered by retiring fire chief Dale E. Kennedy.

Chief Kennedy joined the fire department in 1956, and has served as a fireman, lieutenant, assistant chief and, for the past 8 years, chief of this unit. The Amanda Township Fire Department provides fire protection to three central Ohio townships containing 100 square miles and hundreds of families, farms, and businesses. The department is a volunteer unit in the truest sense of the word: Its firemen and women receive no pay or reimbursement for their community service work and fire protection.

For more than three decades, Dale Kennedy has been a stable element in this impressive unit. He has worked tirelessly for the improvement of the community and its citizens. He has upheld the responsibilities of each post held in the department and the region is proud of his efforts.

It is fitting that he is being honored by his community upon his retirement. Collectively, the good citizens of the region will have a chance to say thank you for his leadership, professionalism, and personal interest in the well-being of the area. I want to express my gratitude, as well, and bring his record of service to the people of central Ohio to the attention of the U.S. House of Representatives. Oftentimes, this Nation looks for those who make a difference. It need look no further than Amanda, OH, and in the person of Dale Kennedy. His influence, investment, and impact of good will, hard work, and service will be long remembered and deeply appreciated for years, and years, to come. Thank you, Dale.

H.R. 2655

HON. DAN SCHAEFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. SCHAEFER. Mr. Speaker, I would like to take this opportunity to commend the Foreign Affairs Committee for including special development language in H.R. 2655, the Foreign Assistance Authorization Act.

Specifically the committee, in section 1102, refocuses America's objectives for economic assistance and development programs. This language stresses the pursuit of four new policies; economic growth, sustainable development, poverty reduction, and pluralism. These objectives serve both the interests of the United States and the recipient country.

The first two objectives will lead these countries into self-reliance. Not only will these countries reduce their dependency on the United States and foreign assistance, they can be a role model for other developing countries. Perhaps in the future these countries could begin their own foreign assistance programs. Japan is a superb example of a once devastated country contributing to worldwide development. The latter two objectives will address the quality of life in the developing countries. Through the conquest of poverty, illness, and ignorance, these countries can become stalwart supporters of freedom.

Again, I commend the committee for recognizing the need to set specific objectives in the distribution of American assistance. These are noble objectives and I was glad to support this legislation which the House recently passed.

THE DEATH OF COLOMBIAN GOV. ANTONIO ROLDAN BETACUR

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. GILMAN. Mr. Speaker, just a few short days ago on June 27, we noted the assassination of Jorge Leon Vallejo, a Colombian human rights activist who was kidnaped by gunmen and found shot dead outside of Medellin, home base of the drug cartel bearing the city's name. It is with deep regret that we must now mark the passing of yet another Columbian martyr in the ongoing international struggle against drugs, Antonio Roldan Betacur. On June 5, 1989, Antonio Roldan, along with three bodyguards and three other individuals, was killed in a car bomb explosive.

The late Mr. Roldan was the Governor of Antioquia, one of the most violent states in all of Colombia, and whose state capital is Medellin. Governor Roldan was also one of the foremost human rights leaders in Latin America. This outrageous attack upon the Governor illustrates the impunity with which the drug lords eliminate the legitimate leaders of that beleaguered country.

Governor Roldan was well aware of the risks he was taking by daring to defy the drug kingpins. He was not blind to the drug traffickers' contempt for democracy. At the very moment that his life was so brutally snatched away, Governor Roldan was on his way to deliver a speech denouncing political violence and praising his late colleague, human rights leader Hector Abad Gomez, who was killed for his anti-drug stance in August 1987. Yet like so many other brave souls who have sacrificed their lives for freedom and justice, Governor Roldan was willing to accept the risks which come with standing up for one's beliefs. He condemned paramilitary death squads and paid the ultimate price for his courage. May all of us be so blessed with the courage of our convictions.

Tragically, Governor Roldan is far from being the only one of his countrymen forced to pay with their lives for their convictions. In the past several years, over 50 judges, including half of the Supreme Court, the Attorney General as well as scores of other law enforcement personnel, government officials, journalists, and private citizens have lost their lives in drug related murders.

Colombia is far from being alone in its problems. Wherever drugs are found, death and destruction follow in its wake. The murder of New York City patrolman Edward Byrne is a reminder that all nations are vulnerable to drug-related crime and violence.

Mr. Speaker, far too many good people both at home and abroad have died already as a result of illicit narcotics. Drug trafficking and abuse threaten the very fabric of democratic societies. We must not allow the sacrifice of Governor Roldan and the hundreds and thousands of other brave individuals like him to be empty ones, lest we forget who we are, and what we stand for as a Nation.

There is much that we must do to combat drugs. Crucial work needs to be done both on the streets of our cities and in the jungles of Central and South America. We must educate our children to say "No" to drugs, and we must rehabilitate those for whom the message comes too late. We must help our Latin American allies take back the land from the drug growers in Latin America, and we must take back the streets from the drug dealers in our own cities. Governor Roldan and others have led the way, but their struggle is not over. We must now continue to pursue their goal of eliminating drug abuse and trafficking. If we do not, then Governor Roldan's death will have been in vain.

THE ALLEN PARK VA HOSPITAL: 50 YEARS OF HEALTH CARE SERVICE

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. DINGELL. Mr. Speaker, I rise today in honor of the 50th anniversary of the Veterans' Administration Hospital in Allen Park, MI, in my congressional district. This occasion marks 50 years of service to the veterans of southeast Michigan and serves as a testimony to our commitment, as a nation, to care for our honored veterans in their times of need.

In 1937, Henry and Clara Ford donated to the Federal Government the land on which the Allen Park facility now stands. On July 27, 1939, a groundbreaking ceremony was held paving the way to a six-story facility that housed 350 general medical/surgical beds. The hospital admitted its first veteran on April 15, 1939.

Since then, the Allen Park facility has expanded. To handle the increased medical care needs of World War II veterans, two 10-story wings were added in November 1947. In October 1960, two three-story wings were constructed to serve as an outpatient clinic and administration offices.

Today, the Allen Park facility is a campus-like complex consisting of a large, multiwinged, 611-bed hospital with separate outpatient, administration, and maintenance buildings. It provides inpatient care to over 6,000 veterans and records over 25,000 outpatient visits every year. The Allen Park facility is a complete health care facility, providing surgical, neurological, psychiatric, and intermediate care, as well as nursing home care.

In September 1988, Congress passed legislation providing funding to establish a dual campus facility in southeast Michigan, consisting of a new 503-bed Detroit facility to take over surgical and intensive care for veterans along with funds to restore and improve the Allen Park facility to provide long-term nursing care for veterans.

The Allen Park Veterans' Administration facility has come a long way since its modest beginnings 50 years ago. It now symbolizes the commitment of our Nation to our distinguished veterans. With the planned improvements, the Allen Park facility should be able to provide another 50 years of health care, in fulfillment of the obligation our Nation has incurred to the veterans who served selflessly to preserve this great country.

KIP GRANT: NEWSMAN, FIREFIGHTER, AND GREAT AMERICAN

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. SOLOMON. Mr. Speaker, there are many of what I call quiet Americans all over this country, and I take pleasure in paying tribute to one of them today.

His name is Clifford Grant, Jr., but in the Glens Falls, NY, area everyone calls him Kip. He is still a young man, but for many years he has been an institution. He is ending a 22-year career as a radio newsman with Station WWSC, the last 15 as news director, to take a post as deputy fire marshall in the town of Queensbury.

My quiet Americans are people who, without attracting a great deal of attention, do their jobs well and give something back to their communities. Invariably, they are patriotic, family oriented, good neighbors, and tirelessly involved in civic affairs. Kip Grant is all of those things.

As a newsman, he has always been a first-rate professional, always satisfied to report the news honestly, which is so much harder than engaging in irresponsible sensationalism. His has long been the most trusted voice in Glens Falls.

He is known affectionately for his interest in two things, firefighting and trains. He has a very impressive photographic collection of both the fires he has covered and of train engines. His childhood interest in fire engines led to joining the local fire department. As is the case in many rural areas, much of our fire protection comes from volunteer fire departments staffed with dedicated volunteers like Kip Grant. It's just one of the ways he has made a contribution to his community.

Mr. Speaker, it's not enough to list Kip Grant's professional accomplishments and civic involvement. You really have to know Kip Grant to appreciate his unfailing cheerfulness and decency. I have had that privilege for many years, and that is why I ask Members to join me in saluting Kip Grant, newsman, firefighter, and great American.

TRIBUTE TO JUDGE LUTHER C. HAMES

HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. DARDEN. Mr. Speaker, next Monday, July 17, Judge Luther C. Hames, Jr., a distinguised former trial judge and district attorney from Cobb County, GA, will be honored by his local bar association. At that time, Judge Hames will observe the 50th anniversary of his admission to the State Bar of Georgia. He will also be honored by having his portrait commissioned and placed in the courtroom where he served with distinction as judge of the superior court for more than 12 years.

I have personally known and admired Judge Hames since 1967, the year I finished law school and began my legal career. He was at that time considered the most competent criminal prosecutor in Georgia, having recently retired as solicitor general.

While Judge Hames' strict, impartial courtroom demeanor has demanded competence and respect from all attorneys who practiced before him, his reputation for honesty and fairness is unquestioned.

Notwithstanding his insistence that all attorneys appearing before him capably represent their clients, he always had time to give counsel and advice to young lawyers. His legal scholarship is legendary; his personal legal diaries are the most extensive sources of legal precedents available.

State Senator Roy Barnes once observed that Judge Hames' famous bound volumes probably contained even a form to commission a Russian admiral.

I regret my inability to attend the ceremony in Marietta next week due to our legislative schedule, but I want to pay tribute to an exemplary judge and public official, the Honorable Luther C. Hames, Jr.

The following resolution of appreciation has been passed by the Cobb County Bar Association and will be presented to Judge Hames:

RESOLUTION OF APPRECIATION

Whereas, Honorable Luther C. Hames, Jr. was admitted to the Bar of Georgia on July 21, 1939; and,

Whereas, he has served with distinction the State of Georgia as Attorney at Law, Solicitor General, and Superior Court Judge; and,

Whereas, he was born in Marietta, Georgia on November 18, 1917, was educated in the public schools of Marietta and received his LL.B. degree from Woodrow Wilson College of Law in 1939; and,

Whereas, he served in the United States Army from 1940 through 1945, and was honorably discharged as a Captain; and,

Whereas, he practiced law privately in Marietta from 1945 through 1953; and,

Whereas, he served as Solicitor General of the Cobb Judicial Circuit from 1953 through 1968; and,

Whereas, he served subsequently as District Attorney Emeritus from 1968 forward; and,

Whereas, he served as Judge of Cobb Superior Court from 1968 through December 31, 1980; and,

Whereas, he has served as Senior Judge, Georgia, Superior Courts since 1980; and,

Whereas, he served as Mayor Pro tem of the City of Marietta and Councilman for the City of Marietta; and,

Whereas, he served as Chairman of the Marietta Housing Authority in 1950; and,

Whereas, he served as President of the Cobb Circuit Bar Association in 1954; and,

Whereas, he served as President of the District Attorney Association of Georgia in 1956; and,

Whereas, he served as Chairman of the Criminal Pattern Jury Instructions Committee from 1973 forward; and,

Whereas, he is respected and admired by his peers and fellows at the bar.

Now therefore, this resolution is duly passed by the Board of Trustees of the Cobb County Bar Association commending and honoring our brother of the bar on this occasion of his 50th year of admission to the State Bar of Georgia.

AMY HSU: A WINNER

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. HOYER. Mr. Speaker, I am proud that one of this year's winners of the Public Service Scholarships sponsored by the Public Employees Roundtable is Amy Hsu, who is an

undergraduate at the University of Maryland at College Park and a resident of Laurel.

The Public Employees Roundtable grants annual scholarships to a limited number of students from across the country who intend to pursue careers in government. This year, 8 recipients were selected from 450 applicants.

Ms. Hsu is an accounting major at the University of Maryland. She maintains a 3.57 cumulative average, but has found time to work at the university's accounting office and to volunteer at a D.C. homeless shelter. After graduating from the university, she hopes to become a government accountant.

Last year, the Hudson Institute issued a report warning the Congress that we face a "crisis of competence" if we fail to attract young people to work for the Federal Government. After reading Ms. Hsu's essay: "How My Chosen Career Affects the Quality of American Life," I am sure that each of my colleagues will be pleased that this woman is attracted to a career in public service.

HOW MY CHOSEN CAREER AFFECTS THE QUALITY OF AMERICAN LIFE

One of the hardest decisions to make in a person's lifetime is choosing their career. There are so many interesting and challenging fields to pursue. As for me, one career stood out in front of the rest, and that is to become a government accountant.

The work of government accountants—whether federal, state, or local—affects the health, welfare, and security of every American. This is because accounting aids in collecting, classifying and reporting events or transactions which occur in the routine, everyday life of all individuals. Governments, like all others, need accountants to help them obtain information. Accountants assist in keeping financial matters in an orderly fashion—from the simple reconciliation of the monthly bank statement to the highly detailed investigations of the year-end audit.

Accountants are of vital importance to our society. Information provided by accountants supports investors and creditors in channeling resources effectively. Labor unions and management need financial information to use in bargaining during contract negotiations. Furthermore, non-profit organizations use accounting systems in order to keep track of their revenues and costs. Hospitals, for example, establish patient billing rates largely on the basis of such information, and managers of private foundations use accounting records to determine how they can award grants at any particular time.

Accountants also influence public policy issues and decisions. It would be impossible, for example, to collect taxes if individuals and businesses did not have an accounting system. Government agencies, as well, employ accountants to evaluate the profitability of businesses, and they often base policy decisions on such evaluations. Government also uses accounting information to help determine whether it should give aid to those corporations undergoing financial difficulties. For example, the federal government used the information determined by accountants in deciding to grant $1.5 billion in loan guarantees to the Chrysler Corporation. Most importantly, accountants gather vast amounts of information each year in order to determine whether the government will be in surplus or deficit.

As a result, the main objective of accountants and their role in society is to improve the quality of American life. As the social-economic-political-legal conditions, restraints and influences of the environment change from time to time, accountants must analyze, investigate and trace those events to meet the changing demands and influences. Accountants recognize that people live in a world of scarce means and resources; thereby, through an efficient use of resources, the standard of living can increase. It is the job of the accountant to help society obtain a higher standard of living by measuring, communicating and comparing data in order to identify an efficient and effective use of resources. Accountants recognize and accept society's current legal and ethical concepts in order to provide equitable treatment to protect the standards of society. In conclusion, accountants play a significant role in shaping and molding the quality of American life into an acceptable environment for society to live in.

COMMEMORATING LITHUANIAN INDEPENDENCE DAY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. GILMAN. Mr. Speaker, I rise in support of House Joint Resolution 149 designating February 16, 1990, as "Lithuanian Independence Day," and commend my distinguished colleague from Illinois [Mr. RUSSO] for sponsoring this resolution.

Mr. Speaker, I am proud to be a cosponsor and an earnest advocate of this resolution to commemorate the valiant struggle for Lithuanian independence. Unfortunately, not all peoples of the world have the opportunity to celebrate their freedom and liberty. It is vital, therefore, to recognize this distinctive day in memory of those people who are denied their liberty to celebrate freedom themselves. As the longest standing democracy in the world, the United States has an obligation to provide an example to all nations in supporting basic liberties for all citizens of the world. Our recognition of Lithuanian Independence Day represents our identification with the strong desire for democracy and freedom which is shared by people all over the world, especially the Lithuanian people and Americans of Lithuanian descent.

For more than a century, the Lithuanian people had endured the tyranny and indignation of domination as a province of the czarist Russian State. By 1915, with the commencement of World War I, Lithuania was overrun by marauding German armies. The cost for Lithuania was great due to the destruction which retreating Russian armies and invading Germans left in their wake. Following a succession of German defeats, czarist Russia reasserted its dominance over Lithuania. Finally, when the Bolsheviks brought about the collapse of czarist Russia in November 1917, Lithuania temporarily succeeded in freeing itself from foreign control, culminating with the declaration of independence on February 16, 1918. However, independence was short lived as the Red Army returned in 1919 and installed a Communist government in Lithuania. The Red Army was driven out of Lithuania the next year by combined Polish and Lithuanian fighting units. Also in 1920 Russia signed a peace treaty with Lithuania recognizing it as an independent nation. However, in collaboration with Adolf Hitler's Nazi-German Government, the Soviet Union impeded the Lithuanian dream for lasting independence by annexing Lithuania in September 1939. This cleared the way for the Soviet Union to reexert its authority in a brutal suppression during July 1940.

Like many other Eastern European countries, and many other countries around the world, the Lithuanian people have not lost their identity or their strong yearning for freedom. With this in mind, the United States celebrates Lithuanian Independence Day for those who cannot. Through this celebration, we are reminding the Soviet Union that we do not condone their unacceptable practices with regard to Lithuania, and we firmly reject their incorporation of Lithuania into the Soviet Union. Other countries with similar tyrannical practices are also served notice that we do not sanction their policies but instead firmly deplore them.

Mr. Speaker, Lithuanian Independence Day is also a day for Americans of Lithuanian descent to celebrate their ethnic heritage and point with pride to their contribution to American society. We celebrate with them but at the same time share their concern over the plight of their loved ones living in Europe. As long as there are individual seekers of freedom who are being persecuted for attempts to exercise their rights, as the Lithuanians are by the Soviet Union, the United States is obligated to show our support for these people who desire freedom and democracy. We recognize this special day through the adoption of House Joint Resolution 149, and I invite my colleagues to support the measure.

COMMENDING THE GREATER WALDORF JAYCEES

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. DYSON. Mr. Speaker, I rise to recognize and commend 20 years of wonderful work accomplished by the Greater Waldorf Jaycees in my home district—Maryland's First.

"The final line of the jaycee creed states that, "Service to humanity is the best work of life." Nowhere is that axiom more in evidence than in the enterprises of the Greater Waldorf Chapter.

For 20 years they have thought up, planned, and carried out so many meaningful, essential projects. From the Bumby Oaks Drug Abuse Center to the senior citizens apartments to the Millwood Training Center for the Mentally Retarded, the jaycees have improved the lives of those most in need. One wonders what we would do without their industriousness and dedication.

As the Greater Waldorf Jaycees celebrate their 20th anniversary, the community celebrates, too. For it has seen 20 years of important projects realized, friendships made, and citizens helped through the tireless community

service of this special group. Southern Maryland itself is a living testament to their unflagging effort.

The anniversary coincides with the election of the chapter's first woman president, Sally Jameson. She is a forward-looking leader who will confront many challenges in the coming year but plans to use those challenges to make the jaycees better than ever before. The community can look forward to much important work during her tenure.

The whole Nation will soon be hearing about this special group. The Waldorf Jaycees have been building a 56-acre sports complex dedicated to Robert Dean Stethem, the heroic Navy diver and Waldorf citizen who was killed in Beirut. President Bush plans to commemorate Stethem's courage and acknowledge our jaycees' hard work next spring at the ribbon-cutting ceremony of the sports complex.

The Greater Waldorf Jaycees are a wonderful example to all of us of the true spirit of voluntarism. The jaycees have actively involved themselves in the life of our communities and we are so grateful to them. Their humanitarianism inspires and touches us all.

A TRIBUTE TO THE AAU/CARRIER BASKETBALL TOURNAMENT AND TO THE ST. LOUIS HAWKS

HON. JACK BUECHNER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. BUECHNER. Mr. Speaker, I rise today on the occasion of the 1989 AAU/Carrier Boys 15 and Under National Basketball Championship Tournament which is being held this week in Kingsport, TN. I especially rise to salute the St. Louis Hawks from my hometown of St. Louis, MO. These young participants from city and county schools epitomize the values of competitiveness, teamwork, good sportsmanship, and plain, old-fashioned fun that have always been the backbone of amateur sports in America.

The week-long tournament features some of the premier junior basketball talent in America; select teams from across the country will be participating. The Hawks represent the best Missouri has to offer between 8th and 10th grades. I wish the best of luck to these youngsters as they represent "The Gateway to the West". Regardless of the outcome, the Hawks are a team St. Louis can be proud of: A class team for a class area.

Mr. Speaker, I ask my colleagues to join me in saluting the AAU and Carrier for sponsoring this tournament. I am sure that many of us in this assembly can look back to our youth and importantly, some of the lessons we learned there. Perhaps some of these boys will grow up to be the Michael Jordan, Larry Bird and Magic Johnson, or, with a tip of the hat to a former St. Louis Hawk great, Bob Petit of the future. Others will, no doubt, grow up to be businessmen, lawyers, doctors, coaches, and yes, fathers. The gift of amateur athletics is that it will help them to grow into men of discipline and fair play. The dedication, teamwork, and camaraderie they have learned through sports will be with them long after the ball stops bouncing; indeed it will be with them for life—the greatest game in which they will ever play. May the buzzer sound with them far ahead!

Congratulations to the St. Louis Hawks:

Chris Brefield, Leon Clay, Torri Fossett, Dave Gansmann, J. Lavon Kincaid, Kevin Kullum, Mylin Johnson, Cedric Laster, Chip Walther, Brent Dalrymple, Bill Ennis, and Coach Roy Walther.

EAST LOS ANGELES COLLEGE: KEYS TO THE FUTURE

HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. MARTINEZ. Mr. Speaker, institutions which serve large proportions of minorities have often struggled against discrimination and insufficient funding. The needs of these institutions are still largely unrecognized but their role is becoming increasing vital. This year non-Hispanic whites became a minority in California's schools. This is also the case in Texas' elementary schools. In the next 10 years, it is estimated that one of every three American students will be Hispanic-American, African-American, or Asian-American. As a recent OECD study of California's education system put it, "California may be the crucial, and is certainly a fascinating, test case of the capacity of an educational plan to unite a prosperous country."

I want to take this occasion to congratulate East Los Angeles College and its new president, Dr. Omero Suarez, for their innovative work in education which builds a nation. I also want to draw to my colleagues' attention a recent article, "East Los Angeles College: The Trend Setter," by Jose A. Romo, which was published in the April/May edition of Hispanic Today which highlights many of these initiatives. East Los Angeles College is particularly effective in providing a successful program for minority and disadvantaged students. With an enrollment of over 12,700 students, East Los Angeles College is a "real asset to the education community" by encouraging students to compete academically, as well as, work towards admission to a major college or university.

East Los Angeles College is succeeding against great obstacles. For the past few years the U.S. high school dropout rate has been an appalling 30 percent, but this figure is small compared to the horrifying percentages of dropouts among urban minorities: 50 percent for blacks and 80 percent for Hispanics. About half of Hispanic high school graduates never go to college and of those who do, 54 percent attend two-year community colleges. Less than 7 percent of them transfer to 4-year colleges to continue their education. Of the few that are admitted to postsecondary institutions, the attrition rate for Hispanic college students is 57 percent for males and 54 percent for females, compared to 34 percent for non-Hispanic white males and females.

The United States is in desperate need of programs to build bridges between secondary schools and postsecondary institutions and ELAC has provided many programs to bridge this gap. One of them is the East Los Angeles College Upward Bound Program. College upward bound is designed for potential first generation college graduates of low-income families, 24 percent of which live at, or below the poverty level. This program provides much needed individual attention to improve basic academic skills and provides a complete education about careers and college opportunities.

Of those who remain in the program until they graduate from high school, 98 percent of them go on to college. Of those students, 75 percent continue their studies at a 4-year college or university. The remainder go on to a community college. This is a great achievement for any program, but especially considering that upward bound is targeted toward high schools with average dropout rates of 39 to 65 percent.

Also offered through East Los Angeles College are: Summer internships for high-school students, the Garfield Math Enrichment Program—made famous by Jaime Escalante—and the ELAC High School Extension Program. These programs provide individual tutoring, college electives, and a chance to receive credits toward high school graduation.

For those students attending East Los Angeles College, programs are tailored for their needs. The Puente Program is designed specifically for Mexican-American community college students to reduce the dropout rate and encourage them to pursue a bachelor's degree. Also, a transfer program offers the student an opportunity to meet representatives from major colleges and universities to discuss transfer arrangements.

These are just some of the major programs offered at East Los Angeles College. They are looking forward to implementing other programs that will aid the student in attaining "that most important goal—a degree." Unfortunately, these efforts are severely limited by the lack of funding appropriated to these programs which are in such high demand throughout the country.

At East Los Angeles College alone, it is estimated that there will be 6,000 potential eligible students in desperate need of these services. Presently, the East Los Angeles College Upward Bound Program is only authorized to enroll 100 students on a budget of $330,905. During the last 8 years, this program has maintained a current enrollment of 110 while maintaining a waiting list of 60 students who qualify to participate but are unable because of "nonroom availability." Funding is what these programs must have to stay in operation and the success of East Los Angeles College would have been impossible without moneys provided by the U.S. Department of Education.

My dear colleagues, I ask you to join me in congratulating East Los Angeles College and its new president, Dr. Omero Suarez, for their innovative work in the realm of higher education. With the upcoming reauthorization of the Higher Education Act, it is important that we remember the successful "trend setting" educational programming established by ELAC. East Los Angeles College is a shining example of what initiative and creativity, coupled

with Federal backing, can do to provide special programs for America's growing minority population.

TO REFORM THE DAVIS-BACON ACT

HON. AUSTIN J. MURPHY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. MURPHY. Mr. Speaker, I rise today to introduce legislation to reform the Davis-Bacon Act. For over 50 years this law has guaranteed a decent standard of living for many American workers. I am introducing this bill today because I believe that it is once again time for us to reaffirm our commitment to this principle.

The Davis-Bacon Act mandates that all federally funded or assisted construction projects pay the wage prevailing in the local area for the various types of trades involved. The purpose of this act is to prevent Federal procurement laws from undermining living standards and local economies which are impacted by the process of Federal and federally assisted construction.

Mindful of this promise it is important for us to insure that the provisions of this law are current and timely for our present economy. Under current law, the act is applicable to all contracts in excess of $2,000. This figure has not been adjusted to reflect inflation since it was enacted in 1935. That is why this legislation proposes to increase this threshold to $50,000.

This is only one of many comprehensive reforms that this proposal accomplishes. I would now like to describe very briefly the other provisions of this bill:

Compels the Department of Labor to issue more timely wage determinations.

Restores the scope of prevailing wage surveys to include all similar construction in the applicable area.

Provides two alternatives to the present much criticized compliance system of exclusive relief through the DOL: First, expedited administrative process; and second, private right of action.

Cuts in half the employer payroll reporting requirements under the Copeland Act.

Codifies the authority of the Secretary to issue decisions concerning the interpretation and application of the act that are final and binding on all executive branch agencies.

Strengthens current law applying prevailing wages on lease-construction projects.

Defines "apprentice," "trainee," and "helper."

Restricts the amount of fringe benefits an employer may include as part of the prevailing wage payment to the aggregate level of fringe benefits determined to be prevailing.

This bill both simplifies and updates the Davis-Bacon Act. It brings it up to date for 1989, and in doing so it renews and strengthens our resolve to protect American workers against exploitive working conditions. This legislation is a sound and balanced approach to reform of the Davis-Bacon Act, and I ask for your support.

SPACEWEEK

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. LAGOMARSINO. Mr. Speaker, on July 20, 1969, American astronaut Neil Armstrong became the first person to set foot on the Moon. Like millions of Americans, I can remember my feelings of pride and awe on that historic occasion. It was one of those moments frozen in time, as people around the globe watched that televised image from another celestial body—an imaging technology which, by the way, was one of the benefits of the space program.

In a sense, that was the day when the entire world became a global village—linked through American technology as we watched at first hand one of the most momentous steps in human history. It really was "one small step for a man, one giant step for mankind." Today, the technologies developed for the space program have made the global village more than just a concept. The entire world was focused on Tiananmen Square last month as we witnessed, through satellite technology, the unfolding of a new democratic movement. And because they were watching, nations around the Earth were able to react with conviction when that movement was quashed—for now. This week, we watched as President Bush stood in Karl Marx University in Budapest and urged a greater unity between the Eastern bloc and the West. The world has been brought into our living rooms—and not just parts of the world. Of all the images sent back from the Moon, although the footsteps of a human being were the most historic, the most breathtaking were those of the blue-and-white Earth rising above the desolate craters of the moon.

It was then we saw our planet as a living organism—an ark, as some put it—carrying human life through the cosmos. It was this truly transcendent image which forever changed our view of life on this Earth and or role in the universe.

Next week, Mr. Speaker, will mark the celebration of Spaceweek. At Vanderberg Air Force Base, CA, there will be a weeklong symposium on the theme "From Apollo to the Stars—Join the Journey".

The theme promises more than we can even imagine here today. Some of our best minds in the military, civilian, and commercial space industry will be onhand to present their vision of what our next steps in space should be. There are many options, all of which deserve our close consideration. In addition to marking the 20th anniversary of the Apollo Moon landing, July 20 also marks the 16th anniversary of the landing of *Viking 1* on Mars. And next month, the *Voyager* spacecraft will soar past the planet Neptune as it continues its journey to the edge of the solar system and beyond.

But these momentous voyages of discovery are only the beginning of mankind's quest for knowledge. From the day when the first humans gazed at the starry night sky, we have wondered at that vast panorama and what it signifies. This same quest for knowledge and adventure set Christopher Columbus on a voyage of discovery to a New World 497 years ago. I hope that by the time we celebrate the 500th anniversary of Columbus' epic voyage in 1992, we will have firmly committed ourselves to undertake a continuation of that journey of discovery to the cosmos. And I hope that by the dawn of the new millenium, in the year 2000 A.D., we will be well on our way toward establishing a base on the Moon, and eventually, a base on Mars. Nor should we limit our vision to the stars. That unprecedented view of Earth which we first saw from the Tranquility Moon base 20 years ago should remind us of the need to pursue a mission to the planet Earth. The space station Freedom will provide an essential platform from which to monitor the vital signs of our earthly home, as well as a jumping off point for voyages to the Moon, Mars, and beyond. With our new global perspective we can see the need to work together to insure that the Earth remains a safe, habitable home.

It has fallen to us, Mr. Speaker, to be the first space-faring generation in human history. I hope that lessons we learn during Spaceweek will lead to a greater appreciation of how far we have come, and how far we have to go. And I extend to the participants in this symposium, on behalf of the Congress of the United States, our best wishes for a productive and enlightening conference: "From Apollo to the Stars—Join the Journey".

THE OMAHA WORLD-HERALD CENTENNIAL

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. BEREUTER. Mr. Speaker, 100 years ago, on July 14, 1889, Gilbert M. Hitchcock, publisher of the Omaha Daily World, announced that he had purchased the Omaha Herald from John A. McShane. The next day, July 15, 1989, the first edition of the Omaha World-Herald was published.

On the occasion of the World-Herald's 100th anniversary this Member wants to pay tribute to the most influential newspaper in the State of Nebraska. The World-Herald publishes morning and evening editions. Its circulation exceeds 222,750 daily and 289,100 on Sundays, in a city with a population just over 311,680 and a State with a population of 1½ million. A very high percentage of the population of the State of Nebraska and western Iowa reads the Omaha World-Herald.

Politically, the World-Herald has at various times found itself on either side of the aisle. Gilbert Hitchcock, the first publisher, supported Democrats, including William Jennings Bryan. During Bryan's campaign for the Senate, Hitchcock made him editor of the World-Herald—a position which afforded him additional visibility and, apparently, some financial backing. While Bryan's Senate bid was unsuccessful, the World-Herald also strongly supported him in his presidential campaigns. Hitchcock himself served three terms in Congress.

Henry Doorly, who succeeded Hitchcock as publisher of the Omaha World-Herald, was Hitchcock's son-in-law. He and the paper supported Alf Landon, and for the next 30 years the paper was staunchly Republican.

The Omaha World-Herald, in its centennial year, is a progressively conservative newspaper. It has an impressive history of service to the people of Omaha and the people of Nebraska. This Nebraskan newspaper represents a tradition of fine journalism. The World-Herald is an institution of which Omaha, Nebraska and western Iowa can be justly proud.

AUTHORIZATION FOR THE BUREAU OF RECLAMATION TO CONSTRUCT AND OPERATE A WATER TREATMENT PLANT AT THE LEADVILLE MINE DRAINAGE TUNNEL, LEADVILLE CO

HON. JOEL HEFLEY

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1989

Mr. HEFLEY. Mr. Speaker, at the request of the Bureau of Reclamation, U.S. Department of Interior, I am introducing a bill to authorize $10.7 million for water treatment operations at the Leadville mine drainage tunnel near Leadville, CO.

Of that $10.7 million, $9.5 million would be used for construction, operation, maintenance and replacement, when necessary, of a water treatment plant; and $1.2 million for installation of concrete lining on a rehabilitated portion of the Leadville mine drainage tunnel.

I am including in my statement a letter from Bureau Commissioner C. Dale Duvall, which states the reasons for this project more fully and outlines its history. Briefly, the Leadville mine drainage tunnel was constructed by the Bureau of Mines during World War II to aid in the mining of strategic metals for the war efforts. In 1959, the Bureau of Reclamation assumed ownership of the tunnel with the intent of using the effluent for the Fryingpan-Arkansas project. However, the Bureau was unsuccessful in obtaining rights to the water.

In March 1975, the Bureau was cited by the Environmental Protection Agency for violations of the Clean Water Act stemming from claims the tunnel effluent is contaminated with heavy metals. A solution has been under study since that time, with this proposal the result. Meanwhile, the bureau faces the threat of legal action from the Sierra Club, which has questioned the Bureau's good-faith efforts toward a cleanup.

I would like to insert the text of Commissioner Duvall's letter to me concerning the Leadville mine drainage tunnel project:

U.S. DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION,
Washington, DC, July 6, 1989.

Hon. JOEL HEFLEY,
U.S. House of Representatives, Washington, DC.

DEAR MR. HEFLEY: The Leadville Mine Drainage Tunnel was constructed by the Bureau of Mines of your District during World War II to facilitate the mining of strategic metals needed for the war effort. The Bureau of Reclamation accepted custody of the tunnel in December 1959, with the intent of using the water flowing from the tunnel for the Fryingpan-Arkansas project. Reclamation was unsuccessful in obtaining rights to the water flowing from the tunnel.

In March of 1975 the Environmental Protection Agency, pursuant to the Clean Water Act, issued a National Pollution Discharge Elimination System (NPDES) permit for the tunnel, because the tunnel effluent is contaminated with heavy metals which exceed applicable limitations.

The Reclamation Authorization Act of 1976, P.L. 94-423, authorized, "* * * such sums as necessary for * * * water quality monitoring and investigations leading to recommendations for treatment measures if necessary to bring the quality of the tunnel discharge into compliance with applicable water quality statutes . . ." (emphasis added). The legislative history of the bill indicates that the Senate version included a provision for construction and operation of a water treatment plant. The Interior Department at that time preferred to study the problem to be sure that a water treatment plant would be effective or whether unblocking the tunnel might solve the effluent discharge problem. As quoted above, the final bill did not contain authorization to build a water treatment plant.

Based upon that legislative history, the Solicitor's office, in an opinion dated November 18, 1988, indicated that the Department should seek legislative authority to build a water treatment plant. On the basis of that opinion, the Department submitted a draft bill to Congress. However some questions have been raised about whether the Department can utilize the general authority of the Clean Water Act to support a request for appropriations to build the treatment plant. The Solicitor's office is presently reviewing the Clean Water Act to ascertain whether it does provide independent authority to request or use appropriations to meet obligations under the Act. Despite the outcome of that general review, we believe that enough uncertainty regarding the intent of Congress and this Department with regard to the building of the treatment plant has been created by the unique legislative history of this matter that further Congressional direction is needed. Therefore we are requesting that the proposed legislation be introduced. We further request the passage of that legislation be expedited as much as possible.

Reclamation's completed agreement with EPA includes a schedule that shows on-site construction beginning by May 1990; therefore it is important that Congressional direction be received during this session of Congress to allow all construction prerequisites to be completed so that this construction schedule can be maintained.

The proposed FY 1990 budget, which is being considered by the Congress, contains funds to begin construction of the water treatment plant. This budget was prepared in 1987 with the expectation that the studies would show a need for the plant and that the Congress would authorize it before FY 1990 begins.

Thank you for your assistance in this matter.

Sincerely yours,

For C. DALE DUVALL,
Commissioner.

Mr. Speaker, Leadville, CO is a community that has suffered for its history. For many years, that community enjoyed prosperity due to its gold and lead mines. When those closed, that community fell into an economic depression that has pushed its unemployment rate to double digits, among the highest in the State of Colorado, and in the Nation.

Mining began in Leadville in 1861 with placer deposits of gold in the California Gulch. As underground mining progressed, drainage became an economic factor in mine operation. Two major tunnels were built to deal with this problem, the Yak Tunnel, in 1895, and the Leadville mine drainage tunnel, in 1943.

As time went on, the tunnels, built to solve one problem, became a problem in themselves through water pollution. These, coupled with the problem of heavy metals leaching from mine wastes around Leadville, have resulted in that community being designated a Superfund site. Thirteen entities, among them a family of three, have been designated as potentially responsible parties, with liability costs ranging into the millions of dollars. One of these PRP's, the Elder family, inherited a 2-acre mining claim and has spent as much as $2,500 a month on legal fees. A small mining company, the Leadville Corp., has been driven to the edge of bankruptcy because of its Superfund liability.

Mr. Speaker, I will not pretend that this bill is a cure-all for all of the problems that confront Leadville. It will not do anything to help the Elder family or the 12 other PRP's cited for Superfund violations. But it is a starting point for discussion of ways to begin the total cleanup and recovery of the Leadville area. It is a step that has the approval of the EPA and the Office of Management and Budget. I understand that moneys for this project have already been appropriated.

However, in introducing this bill, I would urge that a comprehensive plan be developed to clean up Leadville. The problems there have been studied for years, both by the Bureau and by the EPA. What needs to be done is for all of these plans to be collected into a coherent whole. Doing so will speed the way for a resolution and lessen the possibility that the Leadville cleanup will become a yearly budget item.

In response to questions submitted to the Senate Appropriations Committee earlier this year, the Bureau of Reclamation stated that the EPA began preliminary evaluations of the California Gulch area of Leadville in 1982, culminating in phase I remedial investigations in 1984 focus on the Yak Tunnel and the city of Leadville. The Bureau of Reclamation also indicated it could supply technological expertise and oversight to cleanup operations, as well as the findings of its study on the Leadville mine drainage tunnel. I would hope the committee reviewing this legislation do so with this history in mind.

In conclusion, I would ask that this authorization will be speedily considered and I look forward to working with members of the Interior and Insular Affairs Committee on this issue.

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. WATER TREATMENT PLANT FOR THE LEADVILLE MINE IN COLORADO.

(a) AUTHORIZATION FOR CONSTRUCTION, OPERATION, MAINTENANCE, REPLACEMENT, AND REHABILITATION.—In order that water flowing from the Leadville Mine Drainage

Tunnel may meet water quality standards, the Secretary of the Interior is authorized—

(1) to construct, operate, maintain, and replace when necessary, a water treatment plant, including the disposal of sludge produced by the treatment plant as appropriate, and

(2) to install concrete lining on the rehabilitated portion of the Leadville Mine Drainage Tunnel.

(b) DESIGN.—The treatment plant authorized by subsection (a) shall be designed and constructed to treat the quantity and quality of effluent historically discharged from the Leadville Mine Drainage Tunnel.

(c) TREATMENT OF COSTS.—Construction, operation, maintenance, and replacement costs of the works authorized by this Act shall be nonreimbursable.

(d) RESPONSIBILITY OF SECRETARY.—The Secretary of the Interior shall be responsible for operation, maintenance, and replacement of the water treatment plant, including sludge disposal authorized by this Act. The Secretary may contract for these services.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is hereby authorized to be appropriated beginning October 1, 1989, for construction of a water treatment plant for water flowing from the Leadville Mine Drainage Tunnel, including sludge disposal, and concrete lining the rehabilitated portion of the tunnel, the sum of $10,700,000 (October 1988 price levels), plus or minus such amounts, if any, as may be required by reason of ordinary fluctuations in construction costs as indicated by engineering cost indexed applicable to the types of construction involved and, in addition, such sums as may be required for operation, maintenance, and replacement of the works authorized by this Act.