

SENATE—Thursday, February 1, 1990

(Legislative day of Tuesday, January 23, 1990)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. Byrd].

The PRESIDENT pro tempore. Today's prayer will be offered by the guest chaplain, Rabbi Moshe Feller, Lubavitch House, St. Paul, MN.

Rabbi Feller.

PRAYER

Rabbi Moshe Feller offered the following prayer:

Almighty G-d, Master of the universe, the Members of this august body, the U.S. Senate convene here today in fulfillment of one of the Seven Universal Commandments which You issued to Noah after the great flood—the commandment that every society govern by just laws which are based in the recognition of You O G-d as the Sovereign Ruler of all men and all nations.

The recognition of Your sovereignty is the bedrock of our society as witnessed by the words "In G-d We Trust" engraved on the wall of this great portal of government in which we offer this prayer, and by the words with which we conclude our Pledge of Allegiance "one Nation, under G-d, with liberty and justice for all."

We thank you Almighty G-d for this "year of miracles," in which we witness an increasing number of nations beginning to govern their people with "liberty and justice for all" and beginning to recognize that the entire universe does indeed exist "under G-d."

Grant us, Almighty G-d, as You granted the ancient Israelites in the 40th year of their sojourn in the wilderness, "a heart to perceive, eyes to see and ears to hear" Your divine providence in all that is so rapidly transpiring before our eyes. May the perception of Your divine providence in the affairs of man forever guide the leaders of our country and may they govern accordingly with joy and gladness of heart. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

THE JOURNAL

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

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

SCHEDULE

Mr. MITCHELL. Mr. President, this morning following the time for the two leaders, there will be a period for morning business until 10 a.m. with Senators permitted to speak therein for up to 5 minutes each.

At 10 a.m., the Senate will resume debate on the clean air bill. The Senate adopted two amendments to the clean air bill. I expect other amendments will be offered today. I encourage Senators who may wish to offer amendments to the bill to come forth with those amendments so that the Senate can proceed on this legislation.

The matter is complex and controversial. The pace has been slow because Senators wanted the opportunity to fully review and understand the bill. This is now near the end of the second week of deliberation on the bill and I hope and expect that any Senator who has an amendment who wishes to have it considered will be prepared to come forward. It is anticipated by the managers that there will be rollcall votes today.

THE CONTINUED DELAY IN IMPLEMENTING THE WETLANDS PROTECTION AGREEMENT BETWEEN THE CORPS OF ENGINEERS AND THE ENVIRONMENTAL PROTECTION AGENCY

Mr. MITCHELL. Mr. President, a long-awaited wetlands protection agreement between the EPA and the Army Corps of Engineers was to have gone into effect yesterday.

Plans to carry out this landmark agreement have been suspended twice since it was signed on November 14, 1989.

Now, implementation of the wetlands accord has been postponed yet again.

The agreement between the EPA and the Department of the Army articulates the policy and procedures to be used in determining the type and level of mitigation necessary to comply with the environmental requirements for wetlands filling under section 404 of the Clean Water Act.

The Army and the EPA have disagreed for years over wetlands mitigation policy and procedures.

The agreement signed last November was the culmination of efforts

that began with oversight hearings before the Senate Subcommittee on Environmental Pollution during 1985 and 1986.

At that time, the EPA insisted that the section 404 environmental criteria for issuing wetlands development permits required that adverse impacts to wetlands, must be first avoided if possible, then minimized and, as a last resort, compensated for through the creation or restoration of similar aquatic resources.

The corps previously had resisted this policy and instead had left its districts with broad discretion to negotiate mitigation requirements on a case-by-case basis.

Finally, late last year—due in large part to the efforts of EPA Administrator William Reilly and Assistant Administrator LaJuana Wilcher and the Assistant Secretary of the Army for Civil Works, Robert Page—the two agencies responsible for administration of the section 404 program agreed to the sequential consideration of avoidance, minimization and compensation of adverse impacts in reviewing permit applications for wetlands filling.

The agreement needs to be put into effect without further delay to ensure that the Clean Water Act is carried out uniformly in a manner that encourages the protection of wetlands in their natural state and helps prevent the net loss of these valuable aquatic resources.

The policy guidance agreed to by the corps and EPA last November preserves the integrity of the Clean Water Act's environmental criteria which permit wetlands filling only where it is the least damaging practicable alternative. Alternatives to wetlands filling are presumed to be less damaging and available for projects that do not require proximity to water.

This analysis of alternatives and rebuttal of presumptions must take place under the agreement regardless of any offer to restore, enhance or construct wetlands as compensation for the effects of the requested filling.

In this manner, the agreement ensures that section 404 of the Clean Water Act is not used as a means of providing for the orderly destruction of the Nation's wetlands.

President Bush repeatedly has supported the policy of no net loss of wetlands as a national goal.

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

The wetlands protection agreement between the Corps and EPA will not implement that goal. It is only one small, but important, step toward that goal.

The agreement does not set new policy. It only seeks consistent and effective implementation of the present Clean Water Act.

As such, the agreement addresses only those activities that require individual section 404 permits; that is, generally, discharges of dredged or fill material into more than 10 acres of wetlands. It has no effect on most wetlands destruction, which results from draining, clearing, flooding, and excavation.

The continued reluctance of the administration to put this limited wetlands protection agreement into effect raises serious doubts about the level of commitment to the President's oft-stated goal of no net loss.

The President can reaffirm his administration's commitment to stemming wetlands loss by directing the Corps of Engineers and EPA to implement their agreement without further delay. I hope that he will do so.

THE SUPREME SOVIET'S VIEWS ON THE IMPORTANCE OF A BAN ON NUCLEAR TESTING

Mr. MITCHELL. Mr. President, I ask unanimous consent that this appeal from the U.S.S.R. Supreme Soviet to the United States Congress be printed in full. I hope that my colleagues will find this statement an informative summary of Soviet parliamentarians' views regarding the importance of a comprehensive nuclear test ban.

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

To the U.S. Congress:

Esteemed colleagues, on August 1, 1989, the USSR Supreme Soviet addressed an appeal to the U.S. Congress regarding the issue of a moratorium on nuclear explosions and a cessation of nuclear testing.

Today, we are once again calling on you, proceeding from a clear realization of the vital need for taking measures to protect our own people, as well as all the peoples of the Earth against the risks of nuclear testing.

Our emphatic call for a ban or a moratorium on nuclear testing is prompted by the fact that underground nuclear tests continue to shake our planet, even as norms of new political thinking, humaneness, trust and mutual understanding are being affirmed in international relations. Underground experiments not only lead to the development of new sophisticated weapon systems, but pose another unpredictable threat that must be dealt with today. It is the potential environmental consequences of nuclear testing, the damage being done to the population of the testing sites areas, their wildlife and flora. It is no coincidence that this issue is no longer the exclusive concern of politicians, lawmakers and scientists. It has become a broad public concern, which is

attested to by the demand of Soviet citizens to close down the nuclear test sites in Semipalatinsk and on the island of Novaya Zemlya, as well as the US citizens demand with regard to the Nevada test range.

We, parliamentarians, cannot turn a deaf ear to the voice of our constituencies. The USSR People's Deputies reaffirm the Soviet Union's willingness to introduce, any day and any hour, a mutual moratorium on all nuclear explosions, which could bring us closer to concluding an agreement on a verifiable and comprehensive nuclear test ban. Even today, we could noticeably reduce the nuclear threat by ratifying the treaties of 1974 and 1976, by encouraging the achievement of Soviet-US agreements on radical reductions in their nuclear arsenals, and seeking a prompt, fair, and meaningful consideration of the problems involved in a complete nuclear test ban.

The time to act is now! We propose creating a US-USSR interparliamentary group to study the whole range of military-technical, political, and environmental aspects of nuclear testing and to develop agreed recommendations to our parliaments and governments. May there be quiet at our countries' nuclear test ranges for the duration of the work of this group, at least a temporary moratorium would thus be in effect. Our Supreme Soviet and the USSR Government are ready for such a step.

Time is running out. One cannot miss a rare chance to demonstrate to the world community our ability to think and act in a new way, by doing away with nuclear rivalry and preserving and strengthening peace for all mankind.

We hope that the US Congress will promptly respond to this appeal and that we can together begin concrete work.

RESERVATION OF LEADERS' TIME

Mr. MITCHELL. Mr. President, I reserve the remainder of my time, and I reserve all of the leader time of the distinguished Republican leader.

The PRESIDENT pro tempore. Without objection, the unused portions of the two leaders' time will be reserved.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the order there will now be a period for the transaction of morning business, for the introduction of bills, resolutions, petitions and memorials, and Senators are permitted under the order to speak for not to exceed 5 minutes each.

Mr. SANFORD addressed the Chair.

The PRESIDENT pro tempore. The Senator from North Carolina [Mr. SANFORD] is recognized.

THE PRESIDENT'S BUDGET

Mr. SANFORD. Mr. President, the President's budget is now before us, and it is not an honest budget. The deficit is over \$300 billion, the largest deficit in the history of this Nation, and yet we are going to be telling people that we have it reduced to about \$125 billion, and we are going to

reduce it further to under \$100 billion. Not true. We will not reduce it below \$100 billion in fiscal year 1991. It will continue at a level in the neighborhood of \$300 billion, because we are covering most of the real deficit up.

We are fooling the American public by covering up the true deficit. The Budget Director for the President explained to the Budget Committee yesterday that the law requires us to cover it up.

You might put it this way: We require ourselves by law to cover up the true size of our deficits. Congress makes the laws. So it is inexcusable that this Congress would require that we tell the public something that is not true. We need an honest budget. We need to change the law so we can have an honest budget. We need to quit misleading the American public about the true size of the deficits and the true size of the mounting debt.

Mr. President, I propose five steps that will require the White House, the Office of Management and Budget, and the Congress to play it straight with the American public and tell the truth about the deficits and about the debt. We cannot hope to solve this problem; we cannot hope to bring fiscal responsibility back to Government, unless we are willing to have an honest budget as the first step.

First we need to eliminate the gimmicks that allow us to cover up the true deficit. No accountant or CPA would deny that the bottom line, the true deficit of the Government, is the annual increase in the national debt. And that annual increase in the national debt, as shown by the budget released Monday, is over \$300 billion.

Let us do away with all gimmicks. The biggest single gimmick, of course, the biggest coverup, is that we are taking the Social Security annual reserves and counting it as income, as free taxes to be used for general revenue purposes. But that is not all. The interest that is paid on the accumulating Social Security surpluses is counted as a receipt, not a payment. Treasury bonds purchased with Social Security reserves is supposed to be held in trust for the beneficiaries. That is not our money. But by law we treat it as a receipt, not as an expenditure, and that accounting practice covers up part of the real deficit. We do the same with the highway trust fund—and other trust funds. We use these reserves, even some we should be spending, to cover up the deficit. This not only is dishonest, but it is very, very bad Government, because our highways and bridges need that money.

We have various other ways of covering up the hidden deficit that now amounts to about \$175 billion. We need to change the law to outlaw the use of gimmicks and coverups that

conceal the true deficit from the American public.

An honest budget also protects Social Security. The President said last night that we should not mess around with Social Security, and I agree. But we have been messing around with Social Security, and long enough. We need to protect Social Security trust funds from being squandered and spent for defense and other general Government purposes. Social Security is a trust for the future beneficiaries of Social Security.

I want to see us change the law, Mr. President, to insist that 1 full year of reserve, a 1-year cushion, be kept in trust all of the time. If we do that, incidentally, we can reduce the Social Security taxes. We can reduce taxes by about 18 percent. And we should, because it is not right to continue collecting money that we do not need for the security of Social Security, just so we will have more money to cover up the deficit.

Third, Mr. President, we should count gross interest and include it in a debt account. The big problem in balancing the budget, and the biggest part of the deficit is the interest we pay on the debt. We should do what any good banker would do and count interest as part of the debt. If we capitalize the interest, we then have a debt account we can clearly see and know is growing.

If we had one debt account to include debt increase, and interest-paid on the debt, we can see very clearly, and the public can see very clearly, that this annual increase in debt is the true deficit. We would then know what we were trying to reduce. I would require, as we change the law, Mr. President, that we reduce the debt each year until we get it under control.

Fourth, we need an operating budget that includes nonretirement receipts—general taxes, and programs that involve setting the priorities of Government: How much do we spend for defense? How much do we spend for early childhood education? How much do we spend for transportation? How much do we spend for whatever. We can set the priorities.

If we include the interest where it should be, with deficit and debt, and if we separate Social Security and other retirement funds from the operating and debt accounts, separated, in order to protect those trusts, we more clearly layout the budget to reflect income and obligations of Government. We can then more clearly set priorities without all of confusion that comes from the kind of budgeting that we now require of ourselves by law.

The operating budget, Mr. President, can be forever kept in balance. We should require trust. We should have an honest budget, with a balanced operating budget, and a budget

that requires constant reduction of debt to make us fiscally responsible.

The operating budget, without the gimmicks, without Social Security, without the interest—can be balanced. We can require this using the point of order which gives one Senator the chance to say, no, no, we are not going to get out of balance. We know that we can get that extra few billion one way or the other to keep it balanced, and sequestration can be the last resort. So we can have a balanced operating budget if we just change the law.

The fifth and final step involves rising debt. I propose that we give the President the option to either continue piling up debt or to reduce debt through a debt account. The President proposes the budget. He is responsible for the fiscal policy of the Nation. He can continue piling up more debt, issuing more bonds to pay the interest. Or he can recommend to a dedicated debt reduction tax solely dedicated exclusively for the purpose of reducing debt. This, combined with spending controls—reductions—will allow us to conquer the debt dragon with an honest approach.

There you have it, Mr. President. Our present budget is not honest. We require that it not be honest. We need to change the law to have an honest budget, a balanced budget, and a budget that requires a systematic reduction of debt.

I think, Mr. President, that we can do this. I think we cannot any longer continue to require ourselves by our own laws to present to the public a dishonest budget.

Thank you, and I yield the floor.

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

The PRESIDENT pro tempore. The clerk will call the roll to ascertain the presence of a quorum.

The legislative clerk proceeded to call the roll.

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

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

The Senator from Delaware is recognized for not to exceed 5 minutes.

Mr. ROTH. I thank the Chair.

(The remarks of Mr. ROTH pertaining to the introduction of S. 2049 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

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

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

The legislative clerk proceeded to call the roll.

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

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

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that I may proceed as if in morning business.

The PRESIDENT pro tempore. Without objection, the Senator may proceed under the order as in morning business. For what length of time?

Mr. MURKOWSKI. The Senator from Alaska asks for 5 minutes.

The PRESIDENT pro tempore. Without objection, the Senator from Alaska is recognized for 5 minutes.

Mr. MURKOWSKI. I thank the Chair for his accommodation and wish the President pro tempore good morning.

JAPAN CONSTRUCTION TRADE

Mr. MURKOWSKI. Mr. President, I would like to review briefly for my colleagues the state of negotiations on a very important trade issue between our Nation and our friends in Japan. It is one of market access for U.S. construction firms, a subject in which I have had a longstanding interest and one which has troubled our trade relations for many years.

Mr. President, when I was in Tokyo in December, I had the pleasure of meeting with Minister of Construction Shozo Harada and also with Hajime Sako, who is both chairman of the Taisei Corp. and of the Japan Federation of Construction Contractors, similar to our Association of General Contractors of America. We discussed how we might approach the issue of entry of United States construction firms, as well as—architectural, engineering, and design firms—into the Japanese marketplace. We discussed how we can work together, putting behind us some of the acrimony of the past.

Minister Harada and Chairman Sako share my interest in setting our construction disputes in a manner that is mutually beneficial. They both emphasized to me that better communication between the Japanese private sector and the United States private sector would lead to a more satisfactory relationship.

Mr. Sako recounted to me the trouble United States and Japanese trade associations had experienced in trying to arrange a high-level meeting between the two industries. He asked me for my help. As a consequence, I agreed to host such a meeting in Washington upon my return. That meeting was held last Thursday.

The turnout was excellent. It included all the major United States participants in Japan's construction market. Deputy United States Trade Representative Linn Williams and Commerce Undersecretary Mike Farren provided the administration's perspective; and we heard the official views of the Japanese Government from the Embassy Economic Minister, Mr. Akao. It was significant that 13 of the

14 United States firms that are licensed to do business in Japan were represented at the meeting.

It is also significant that the Japanese have opened up the licensing process, which used to take as much as 2 years and now takes about 90 days. The fact that we now have four architectural firms licensed to do business in Japan, one already licensed this year, I think is indicative of the Japanese Government's response to our request that this market be opened. The licensed firms are major United States contractors that do business all over the world and certainly are interested in doing business in Japan, where the construction budget in both the private and public sectors is now greater, Mr. President, than those expenditures in the United States.

So there is clearly business to be done in Japan, attractive business, but we have had difficulty getting into that market.

One of the previous predicaments that we had was the requirement that previous experience be obtained before U.S. firms could be licensed. But if you could not get a license, it was pretty hard to get the previous experience. That has now been largely resolved, I am happy to report to my colleagues.

The real business of the meeting, of course, was the productive exchange between the representatives of two industry groups, the Japanese private sector and our private sector, through their respective spokesmen.

Mr. Fred Berger, head of the U.S. delegation, was very straightforward in identifying our industry's concerns. Their view is that so far the major projects agreement has been rather disappointing, and has not produced the appropriate results.

However, there is good news for a change—notably Bechtel's participation in the \$800 million Haneda Airport contract. But still the trade is one-sided. United States firms are doing less than \$200 million annually in construction business in Japan, while Japanese firms are doing about \$2.2 billion in the United States. However, that is a substantial change in United States participation, as just a few years ago our involvement in Japan consisted of two Mrs. Field's cookie storefronts in Tokyo. Now we are up to \$200 million. We are reminding our Japanese friends that we are very interested in increasing our share in the Japanese market even further—not equivalent necessarily to what the Japanese are doing in the United States, but clearly to a much higher level.

Another concern of the U.S. construction industry is that, for projects not covered by the agreement, there has been essentially no U.S. participation at all.

Mr. President, I ask unanimous consent to have printed in the RECORD a

summary of the construction contracts and business involvement of United States construction firms in Japan, as well as a comparison of U.S. firms' participation in the Japanese market and Japanese firms' participation in the United States market.

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

U.S. FIRMS IN JAPAN AND JAPANESE FIRMS IN THE UNITED STATES—A COMPARISON OF THE LEVEL OF CONSTRUCTION MARKET PENETRATION

[\$U.S. 1 = Yen 140]

I. MARKET SIZE (CONSTRUCTION INVESTMENT)

U.S.A.: \$400 billion (1987).

(Source: IE&CIC).

Japan: Yen 66,000 billion (\$471 billion) (1988).

(Source: Kensetsu Keizai Kenkyujo, MOC.)

II. CONTRACTS AWARDED TO JAPANESE CONTRACTORS IN THE U.S.A.

Yen 286 billion yen (1987) (2.04 billion dollars).

(Source: Overseas Construction Association, Japan.)

Or \$2.2 billion (1987).

(Source: IE&CIC.)

III. CONTRACTS AWARDED TO U.S. CONTRACTORS IN JAPAN

(A) MOC Estimate:

(1) Contracts awarded to U.S. contractors with MOC Minister's license: Yen 60.36 billion (\$431 million). This figure denotes the amount of contracts won by U.S. affiliated companies with more than 50 percent U.S. capital and with construction business license from the Minister of Construction. (Figures are from contracts for each company's latest fiscal year.)

(Source: Ministry of Construction.)

(2) Contracts awarded to U.S. contractors (including machinery/equipment procurement) in 14 Designated Projects: Yen 12.02 billion (\$8.6 million).

(Source: Information provided by MOC dated the November 11, 1989 U.S.T.R. Hearings).

Total, MOC estimate: Yen 72.4 billion (1 + 2) (\$517.1 million).

(B) USFCS/Tokyo Estimate:

(1) Contracts awarded to U.S. contractors (including machinery/equipment procurement) in 14 Designated Projects: Yen 8.8 billion (\$62.8 million).

(Source: USFCS/Tokyo estimate.)

(2) Contracts awarded to U.S. contractors Non-Designated Projects: Yen 6.5 billion (\$46.4 million).

(Source: USFCS/Tokyo estimate.)

Total, USFCS estimate: Yen 15.3 billion (1 + 2) (\$109.3 million).

C. USTR Estimate:

(Note: According to U.S.T.R., the total contracts awarded to U.S. companies in Japan amount to \$65 million dollars USFCS Tokyo assumes they arrived at that figure in the following manner.)

(1) Contracts awarded to U.S. contractors (including machinery/equipment procurement) at Kansai International Airport (KIA): Yen 6.5 billion (\$46.7 million) (November 1987-October 1988.)

(2) Tenders awarded to U.S. contractors (including machinery/equipment procurement) at other designated projects: Yen 2.6 billion (\$1.8 million) As of May 1989.

Total, USTR estimate: Yen 9.1 billion (\$65 million).

(Note: Figures do not include Bechtel portion of the \$800 million contract for West Terminal of Haneda Airport.)

JAPANESE CONSTRUCTION PROJECTS

CONSTRUCTION COOPERATION AGREEMENTS

1. Bechtel/Taisei and Bechtel/Fujita.
2. Fluor Daniel/Ohbayashi.
3. Schal Associates/Dai Nippon.
4. Turner/Kumagai Gumi.
5. Parsons/Shimizu.
6. Tishman/Aoki.
7. Jones Group/Mitsui Construction.
8. Morrison Knudsen/Hazama Gumi.
9. Brown and Root/Chiyoda (see Construction Licenses)
10. Parsons Brinckerhoff/Nishimatsu.
11. McDevitt & Street/Japan Development & Construction (JDC).
12. Austin Company/Fudo.
13. Austin Industries/Nishimatsu.
14. Guy F. Atkinson/Toda.

JOINT VENTURES

1. TRW/Mitsui (security and engineering services).
2. Marriott In-Flite Services/All Nippon Airways and Sumitomo (food Service, duty-free concessions at Kansai airport).
3. Ellerbe Becket/Sato Kogyo (design/construction of medical facilities).
4. The Architects Collaborative (TAC/Takenaka (architecture, urban planning, engineering, interior design, landscape architecture))
5. Kaplan McLaughlin Diaz/Toda (design).
6. Leo A. Daly/Maeda (design) and Daly/Nihon Sekkei (design).
7. Daniel Mann Johnson & Mendenhall (DMJM)/Fujitsu (engineering).
8. Gensler and Associates Architects/Shimizu (design).
9. Pacific Telesis Int'l/Kajima (intelligent building).
10. Starnet Structures/Shimizu (aerospace construction).
11. Bell and Trotty/Shimizu (aerospace construction).
12. Marine Concrete Structures/Taisei (marine construction)
13. Enterprise Development Co/Shimizu (Waterfront development).

CONSTRUCTION LICENSES

1. PAE International (Building circa 1978).
2. General Electric Technical Services (Building, Steel Structure, Equipment Installation circa 1982).
3. Overseas Bechtel (Civil Eng. 9/25/87, Bldg 1/30/89).
4. Fluor Daniel Japan (Building 8/15/88).
5. Schal Associates (Building 9/14/88).
6. Turner Construction (Building 10/05/88).
7. Parsons Constructors (Civil Eng. & Bldg. 10/05/88).
8. Tishman Construction (Civil Eng. & Bldg. 10/05/88).
9. Brown and Root (Steel Structure 2/27/89).¹
10. Morrison Knudsen (Steel Structure (BLDG?) 3/30/89).
11. Guy F. Atkinson (Civil Eng. & Bldg. 5/10/89).
12. Austin Company (Bldg. 5/10/89, Civ Eng. 12/5/89).
13. Austin Industries (Building 8/10/89).
14. Parsons Brinckerhoff (Civil Eng. & Bldg. 10/21/89).

¹ Brown and Root notified the Japanese on 6/16/89 that it was abandoning its license.

"FIRST CLASS" ARCHITECT LICENSES

1. PAE International (10/15/89).
2. Leo A. Daly (08/01/89).
3. Mancini Duffy Associates (08/16/89).
4. Hellmuth Obata & Kassabaum (01/05/90).

AWARDS TO U.S. FIRMS SINCE THE AGREEMENT

1. Otis Elevator announced a contract to build a \$20 million "people mover" at Narita airport. *Japan Times*, 6/8/88.
2. Nihon Unisys won a contract (\$9,400,000 Yen or about \$457,000) for mini-computers and software to process data obtained through meteorological and oceanic phenomena observations by the Kansai International Airport Corporation (KIAC). *USFCS Osaka Kobe*, 8/31/88.
3. Schal Associates in consortium with 8 Japanese contractors was selected for the construction of a \$148 million convention center and hotel for the Minato Mirai 21 project in Yokohama. Schal's share of the contract reportedly is 6%. *ENR*, 12/8/88, p. 17.
4. Bechtel signed a letter of intent for the design review on a man-made island connecting the bridge and tunnel of the Trans-Tokyo Bay Highway project. The contract is worth about \$1 million. *ICW*, 2/27/89.
5. Shuwa Corporation awarded a construction order to Turner and Kumagai Gumi to build an 18 story office building and a 14 story residential building in Tokyo. Turner's share is 10% of this \$86 million project. (This project is not covered by the U.S.-Japan construction agreement). *ENR*, 3/30/89.
6. Tishman and Aoki will share a \$200 million contract to build a 400 room Westin hotel in Osaka. According to Tishman, this project will also be the first to use U.S. "fast track" construction management techniques in Japan. (This project is not covered by the U.S.-Japan construction agreement). *Business Week*, 4/3/89.
7. Jetway Systems and Stearns have letters of intent to supply 13 and 5 boarding bridges respectively for the new terminal at Haneda airport. Nippon Otis will supply 13 moving sidewalks. The final contracts will be with the prime contractor, a consortium led by Taisei in which Bechtel is a participant. The U.S. portion amounts to about \$11 million or around 30% of total procurement of boarding bridges, baggage handling systems, elevators, escalators, and moving sidewalks. *USFCS Tokyo*, 4/28/89.
8. Bechtel reportedly will receive a \$300 million plus contract for engineering and construction of a \$769 million project to build two 200-megawatt geothermal power plants on Kyushu. (This project is not covered by the U.S.-Japan construction agreement). *San Francisco Examiner*, 5/2/89.
9. Morrison Knudsen and Hazama Gumi were awarded a \$47.9 million contract by Shuwa Corporation to build a 16-story office and residential tower in downtown Tokyo. Morrison Knudsen is a 30 percent partner in this joint venture. (This project is not covered by the U.S.-Japan construction agreement). *ENR*, 7/13/89.
10. Hellmuth, Obata & Kassabaum with Nihon Sogo Kinchikujimusho was awarded a \$6.7 million contract for the architectural design of the \$321 million telecommunications center for the Tokyo Teleport Center Co. *USFCS Tokyo*, 8/9/89.
11. AT&T International and Nippon Telephone and Telegraph were awarded a contract to design Kansai airport's passenger information system. Contract is estimated at \$1.3 million with AT&T's share estimated

at about 40 percent. *USFCS Osaka Kobe*, 8/24/89.

12. Austin Industries and Nishimatsu were awarded a \$100 million contract by Northwest Airlines for an international hotel, flight catering and crew training facilities at Narita airport. Austin is a 30% partner in this joint venture. This is the first time a U.S. firm in Japan has hired a U.S. contractor. (This project is not covered by the U.S.-Japan construction agreement). *USFCS Tokyo*, 9/12/89.

13. Mancini Duffy Associates of New York with Nikken Sekkei won the design award for the large conference hall for the Minato Mirai 21 project in Yokohama. The basic design is worth \$700,000 with follow on fees expected to reach \$3 million or more. Mancini Duffy's share is not known. This is the first design award to a foreign firm on a public works project in Japan. *Kensetsu Tsushin Shimbun*, 9/30/89.

14. Mancini Duffy Associates was chosen as a joint venture partner by Nikken Sekkei for portions of the design of the \$300 million World Trade Center at Technoport Osaka. The contract is worth about \$8.5 million, and, while not yet decided, Mancini Duffy's share will probably be approximately 10%. *USFCS Osaka Kobe*, 10/3/89.

15. Rafael Vinoly Architects of New York won the design competition for the Tokyo International Forum. There were over 2,000 applicants from 68 countries and 395 submissions. This \$700 million project includes four theaters, two cultural centers, a conference center and exhibition areas. The contract is still under negotiation. (This project is not covered by the U.S.-Japan construction agreement). *USFCS Tokyo*, 11/17/89.

16. Bechtel will handle construction supervision for the \$800 million new terminal building at Haneda airport. Bechtel is part of a 10 firm consortium led by Taisei and including four of the other five Japanese "majors". Bechtel's reported share is 10%. *Journal of Commerce*, 12/22/89.

Mr. MURKOWSKI. Mr. President, our United States firms are also concerned that Japan's official development assistance program—in other words, Japan's foreign aid—is administered in a manner that perhaps shows some discrimination against United States firms.

The Japanese view, on the other hand, is that the expeditious approval of construction licenses for United States companies has enabled United States firms to gain the necessary experience in the Japanese market.

In the meeting, Mr. Sako emphasized that once a firm gets a construction license it can participate in any project in the Japanese construction market. Well, I can assure you, Mr. President, the United States welcomes that statement. The Japanese agreed to consult with the United States industry on a continuing basis on participation in Japanese official development assistance.

We also had a brief discussion of the importance of United States firms developing a closer relationship with Japanese trading companies, so that United States firms can be involved early on in Japanese construction project planning in Third World countries. Japan expends much of its for-

eign assistance in those parts of the world.

These exchanges were useful for both sides. There was a better understanding of the respective expectations of the United States and Japanese industries, and identification of the key problems that I have outlined. The challenges identified, however, will not be easy to resolve, Mr. President.

This spring, there are a number of congressionally mandated deadlines that could trigger trade retaliation if the United States side determines that we are not making substantial progress in the Japanese market.

The trade barriers report goes to print in March. The following month, we must determine whether United States firms enjoy fair access to Japan's airport construction market and Government procurement market. By May, we will have reviewed the major projects agreement in detail.

To influence these decisions, results will have to be apparent over the next few months. We are moving in the right direction, but at last week's meeting, there were no guarantees that the desired results would materialize. We did, however, lay a very important groundwork for communications and success in the future.

Finally, Mr. President, I was especially pleased by the overall tone of the meeting. Both sides are prepared to let the past be the past and work toward a positive relationship, and that is the approach that is essential if we are to resolve these construction disputes and have access to an important Japanese market.

Both countries' industries were pleased with the meeting and plans are underway, Mr. President, for a second meeting to be held in Tokyo in the spring.

I hope we are about to enter a more positive era in our trade relations with Japan particularly in the construction trade and in the related fields of architecture, engineering, and design. I thank the President for his accommodation this morning and wish him a good day.

EXTENSION OF MORNING BUSINESS

Mr. MURKOWSKI. Mr. President, I ask unanimous consent morning business be extended until 10:30 under the same terms and conditions, to accommodate some of my colleagues who are about to come into the Chamber, I understand.

The PRESIDENT pro tempore. Is there objection? The Chair hears none. Morning business will continue until the hour of 10:30 a.m. today with Senators permitted to speak for not to exceed 5 minutes each.

The Senator from Nevada [Mr. BRYAN] is recognized for not to exceed 5 minutes.

THE PRESIDENT'S STATE OF THE UNION SPEECH

Mr. BRYAN. Mr. President, last night President Bush gave a good speech touching on many issues that confront this country. He is right when he says we must do better in education, that the Head Start Program should be a priority, that our environment must not be ravaged. All these things, and more, Americans can agree with, and support the President.

But the truth on the most important long-term issue facing the country today, the spiraling Federal deficit, was not addressed last night. The President said, "The last thing we need to do is mess around with Social Security."

His words are right, but his deeds are wrong. His budget recommends that every nickel and dime now in the trust fund will be spent to make his deficit appear smaller. Instead of our hard earned payroll taxes building up in the Social Security trust fund, President Bush will leave a \$75 billion IOU.

The Bush deficit will add over \$196 billion of direct debt under his budget. To be accurate and honest to our citizens, one should also include the \$136 billion, the administration wants to borrow from the Social Security trust fund, and the other Federal trust funds. This means, if Mr. Bush has his way, he will have added over \$332 billion in additional debt, and the deficit will actually grow not recede.

To those who say this mounting debt means nothing, I suggest they look at the financial pages. We are witnessing a new reluctance on the part of foreign central banks to continually fund our debt.

If Japan and West German central banks continue to raise their interest rates, the American Federal Reserve will soon have to raise interest rates so that our Treasury bonds will be competitive with Japanese and West German bonds. Make no mistake, the Fed will have to adjust interest rates, because we must sell those bonds to finance Mr. Bush's deficit.

With a fragile economy, a rise in interest rates will threaten a recession. So the deficit does and will matter, and maybe sooner than many would expect.

None of my colleagues are on the floor. I suggest the absence of a quorum.

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

The assistant legislative clerk proceeded to call the roll.

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

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

EXTENSION OF MORNING BUSINESS

Mr. GORE. Mr. President, I ask unanimous consent that the time for morning business be extended by 5 minutes.

The PRESIDENT pro tempore. Does the Senator also ask permission be granted to speak within that time?

Mr. GORE. I so request.

The PRESIDENT pro tempore. Without objection, it is so ordered, and the Senator from Tennessee is recognized not to exceed 5 minutes.

IRS POLICY TO NOTIFY TAXPAYERS OF REFUNDS DUE

Mr. GORE. Mr. President, I would like to discuss this morning an important matter affecting taxpayers across our country. This is about fairness and honesty and paying what you owe and not more than you owe. It is also about getting a fair shake from the Internal Revenue Service.

Last year, thanks to some of my constituents in Memphis, and thanks, in particular, to one courageous employee of the Internal Revenue Service in Memphis, Linda Johnson, we exposed an IRS ripoff whereby some taxpayers were not being informed of deductions that they were entitled under the law to take. As a result, these taxpayers were paying too much. The IRS inspectors were actually being ordered by their superiors to not inform taxpayers when they had paid too much and let the overcharge stand. Of course, if somebody pays too little, they will be pursued to the ends of the Earth, but if they pay too much, according to the IRS handbook used as the basis for instructions to these employees, the employees were told, let the overcharges stand; do not inform the taxpayers.

At the time, after quite a bit of noise was made about these practices, after some of us tried to alert the taxpayers to what they were entitled to deduct from their forms, a job not being done by the IRS, I was pleased to receive some assurances by the acting IRS Commissioner in a private meeting in my office that agency policies were going to be changed and significant actions would be taken to notify the affected taxpayers. My colleague, Senator Pryor of Arkansas, worked with me on this issue and shares my concerns.

Mr. President, I rise today to say that the IRS promises simply have not added up to the kind of action that I believe is both warranted and needed. Taxpayers are still being shortchanged by the one agency which sought to make fairness its hallmark about anything else.

Last March, as I mentioned, I was pleased when Michael Murphy, then acting Commissioner, responded positively and showed a real commitment to fix this problem. The IRS agreed to change the policy which prohibited the examiners from informing taxpayers when they were owed money because they failed to deduct withholding on pensions and what are called lump-sum distributions.

Equally important, the IRS agreed to identify those taxpayers who are owed money and then give them the refunds to which they are entitled.

As a backup, I introduced legislation last April to address this glaring inequity in the Tax Code and protect the rights of the taxpayers.

Well, the IRS plan and the agency's promises looked better on paper than they have in practice. That has now become clear to me over the past several months as I have continued to monitor the situation and the IRS effort.

Only a few weeks ago I received a letter from Mr. Murphy, now Commissioner of the IRS, notifying me of the agency's progress in identifying taxpayers about refunds they may be owed. The IRS has failed to work quickly enough to help taxpayers who may have paid too much in taxes. It is simply hard to believe the IRS figures on claims they are now giving out accurately reflect the number of people affected.

Mr. President, I strongly believe we must ensure taxpayers are treated fairly. There is simply no excuse for a rule saying public servants should not tell the public what they are entitled to know, especially when often confusing tax forms are involved.

Furthermore, this policy affects those who can least afford it such as retirees and people laid off from their jobs.

So I am now asking Commissioner Murphy to provide a statement of the agency's plan to reach those taxpayers who are due refunds. We need to contact an estimated 1.5 million taxpayers across this country who could be affected, and we need to give them time to check their returns and amend those returns if necessary.

Mr. President, our constituents are being shortchanged, and it is the people who need every extra penny the most, seniors especially, who are being hurt the most. We cannot just throw up our hands and say nothing can be done, and we cannot be satisfied with half efforts that move at a snail's pace. We have to move effectively and quickly to get the word out to taxpayers and to make sure they do not overpay.

In summary, Mr. President, what we found last year was a scheme by the IRS to order their examiners to remain silent when taxpayers were

overcharged, pursue them when they pay too little but keep quiet when they pay too much. When we exposed this abuse, the IRS promised to change the policy and then they also promised to reach out and find and contact those who had been overcharged as a result, notify them and give them a fair opportunity to file an amended return and get the overcharge back. The problem is the IRS efforts to contact those who have been overcharged have fallen far short of what is appropriate under the circumstances.

So I am calling on the IRS to make good on their promises, come up with a sensible plan that really identifies and contacts those who are due refunds, and then go about the task of getting the word to them and giving them a fair chance to get the money to which they are entitled.

I call on the IRS Commissioner to come up with such a plan, and I look forward to his report to this body in behalf of those taxpayers who have been overcharged.

Mr. President, I yield the floor.

Mr. President, I also make a point of order that a quorum is not present.

The PRESIDING OFFICER (Mr. KOHL). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that further proceedings under the quorum call be rescinded.

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

EXTENSION OF MORNING BUSINESS

Mr. BUMPERS. Mr. President, I ask unanimous consent that that morning business be extended by 15 minutes so that I may speak on a non-clean-air issue.

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

STATE OF THE UNION

Mr. BUMPERS. Mr. President, since I will never be President and get to deliver my State of the Union Address, I choose this morning to deliver my State of the Union Address, and it will be a very abbreviated one.

The President's State of the Union Address last night had many good features to it, and it was a reminder to all of us that a lot of very dramatic and interesting things are going on in the world. I tell high school students that they do not relate to what happened in Eastern Europe 40 years ago, and so therefore they do not really feel the exhilaration and scintillation that most of us feel about what is now happening.

The networks said that when they covered the events in Poland and what

was going on in Hungary, Romania, and Czechoslovakia, they lost viewer audience, which indicates that not enough of us are my age and simply do not remember what happened in Eastern Europe 40, 45 years ago and therefore cannot relate to the unraveling of it now, something that I never dreamed would happen. And so when the President last night talked about how exciting these times are, he hit the nail on the head.

As I was about to say a moment ago, I tell all the high school kids that I find what is happening in the Soviet Union and Eastern Europe the most exciting thing that has happened in my life, and it may very well be the most momentous thing politically, economically, and militarily in the history of the world.

We politicians are prone to embellish and to exaggerate, but I say that with the utmost intellectual sincerity. I think this period may very well be the most important time in the history of the world, when you consider the magnitude of the weapons, the destructive capability, and the chance that all of this change offers us now for a durable peace, and a good night's sleep for most of the world.

So last night when the President said what was easily the most important thing in his speech, I rose and applauded with my colleagues from the other side of the aisle, and with my colleagues from this side of the aisle. It was an interesting thing. When he said he thought both the United States and the Soviet Union ought to cut their troop strength in Eastern and Western Europe to 195,000 each that almost everybody in the Congress instantaneously, and without being orchestrated, stood and applauded.

The really troublesome thing about that is if somebody had stood on the floor of the Senate as recently as 3 weeks ago and offered an amendment to reduce our troop strength in Western Europe to 195,000 in exchange for the Soviets responding in kind, he would not have gotten 30 votes.

That points out that the problems of this country must be addressed by the President. Congress cannot lead. Occasionally we have a high moment here when we can take the initiative and finally bring the President along. But the President must propose solutions to the deep-seated problems of this Nation, which is in decline.

So everybody agreed last night that this was a step in the right direction, a big money-saver. When you look at the savings of base closing the President has proposed, it is peanuts. I am parochial as anybody about military bases. It is tough. It is a very vital issue. But the proposals for cuts in Eastern and Western Europe troop strengths—that is where big money can be found, especially if we muster those extra troops out.

It was less than 5 months ago that I stood right here, Mr. President, and offered an amendment to reduce our troop strength in Korea, and there were 34 votes in favor. The logic for reducing our strength in Korea in my opinion was unassailable. Unassailable logic does not necessarily prevail around there, and did not on that occasion.

But having said that, I want to also say there are times when we can raise the issue like Korea and force the Pentagon and the White House to start thinking, knowing that that debate is not going to go away, that something as necessary as reducing our troop strength in Korea is going to have to be addressed at some point.

Mr. President, I did not find very many points of light in the President's speech last night. I found a lot of points of darkness. The points of darkness were the refusal of this President to address the really deep-seated issues in this country. If the President wants to maintain his approval rating of 79 percent, as the Washington Post reported the other day it was, I think he can probably do it. You know, I tell my people back home—and I do not say this to denigrate anybody—I know how to vote if I want to be carried out of the U.S. Senate in a pine box. I know what is popular and unpopular at any given moment. I do not have to have polls to tell me.

So if the President chooses to maintain his popularity with rhetoric, one liners, metaphors, he could do that. But I can tell you the problems of this country require boldness, and there was no boldness in that speech last night. There were no policy initiatives. The deficit has been, was last night, and for years has not been treated as an economic disaster. It has not been treated as a matter of a policy. It has become a political item. Each side wants to profess that they are for doing something about the budget deficit more than the other side. It has just become a political football, not a policy problem to be dealt with.

The President said last night we have now gotten our deficit under control. Mr. President, I cringed when he said that. We have a deficit this year that is going to be far in excess of the \$100 billion deficit we thought we were voting for last fall. No. We did not think we were voting for it. There was nobody in the U.S. Senate deceived to the extent that he or she actually believed the deficit this year would be \$100 billion. Everybody knew better than that. They voted for it so we could get out of here and go home.

So the deficit this year will not be \$100 billion. It will be about \$138 billion. The deficit the President proposed last night for 1991 will not be \$64 billion. God knows what it will be. Add the \$50 billion for the S&L bail-

out. Add \$72 to \$75 billion in Social Security surplus funds. Add the highway trust funds and the airport trust funds. Then you get some idea of the size, the true size, of that deficit.

The President says he wants us to become competitive. That statement followed the statement that people all over the world recognize the quality of American goods. That is a "Dr. Feel-good" statement if I ever heard one. It is not that we do not make anything of quality, because we do. We make a lot of quality products. But when Honda is the biggest selling car in America, and when we have a \$140 billion trade deficit because the Japanese and the Germans and the Italians and everybody else make a product that the world wants a lot more than they want our products, what kind of a statement is that?

So he says to become more competitive we have to save more. I agree with that. That is an economic fact. So he says he has a plan. If you make \$60,000 or less, a married couple, you can save \$2,500. You have to pay the tax on the \$2,500 on the front end, but next year if you make 10-percent interest on that \$2,500, you have made \$250 in interest, and that means you will save 28 percent of that amount, or roughly \$70.

Do you think people are going to put away \$2,500 this year when they can hardly make their house payments or their rent payments, in exchange for a \$70 tax concession? I doubt it. But if you make \$120,000, which virtually every Member of this body does, then you can put away \$5,000 in a savings account. You have to pay the tax up front and you have to leave it there for 7 years. Is that going to encourage savings?

Driving in this morning, I was listening to virtually every economist they could drag up to address that issue. Not one said they thought it would address the problem.

I am with the President. I want to encourage savings. But I honestly, at this moment—I reserve the right to change my mind on this one—I am not sure that is a big enough incentive to get anybody to save.

I dare say, Mr. President, that the budget the President sent us last Monday requested five more B-2 bombers. The cost, including research and development: \$5.5 billion; that's \$1.1 billion per copy.

I would guess, and this is only a guess, that those five B-2 bombers will cost more than the President's savings incentive program will cause the American people to save. Are they related? You bet. Why do we want people to save? We want them to save so we can borrow the money to finance these huge deficits. They say we want people to save so business will have a bigger pool from which to draw, and

we want them to save to drive interest rates down.

There is sort of a contradiction in here. We tell people we will not tax you on your interest. If you save enough, we will drive the amounts you get on your interest on that money down. Only, if the savings boom was as big here as in Japan, interest rates would not be 10, 12 percent across this country for business people. But it is this Government deficit that is the culprit when it comes to savings.

You go through this exercise, and there will be a very lengthy debate on this, and if you can cut \$5.5 billion out of the Pentagon's budget and weapons procurement, you probably would do more toward dealing with the problem the President is talking about than you would with this savings plan. You would not lose the revenue that you are going to lose under this plan.

Why are the Japanese dropping out of the American financial market, and what does that mean? Because their interest rates are better than ours, when you consider inflation, and the Japanese treasury bonds are a better buy than American bonds.

So on Tuesday morning when Secretary Brady offers at the window down at the Treasury Department bonds of the security of the United States, why are the Japanese not showing up? Their bonds are a better buy than ours.

The Japanese have been financing 30 percent of our deficit. If they do not finance it, what does that mean? I will tell you. It means President Bush has to call Alan Greenspan, chairman of the Federal Reserve Bank, and say, "Alan, start the printing presses, and don't quit until I call you."

What does that mean? It means inflation. What else does it mean, as the Japanese pull out? It means when there is more competition for that money, interest rates go up and inflation goes up. And what does that mean? Loss of jobs, recession, unemployment.

Why could the President not say that last night? Why could he not say to the American people, "Folks, here is the problem, and here is the way I intend to deal with it"? And this is real—not a metaphor, not a one-liner. There is not a dirt farmer in Franklin County, AR, that would not understand precisely what I said. Education. The President said he is an education President. We had the subcommittee staff of the Health and Human Services Subcommittee on Appropriations, the subcommittee on which I sit, do an analysis of the President's education budget. It is a cut. Take the 4½-percent inflation rate, and subtract that from the figure in the President's budget, and you have a 2-plus-percent decrease in the education budget.

Mr. President, I heard a story the day before yesterday at lunch from a

man who knew a rich oil man down in Louisiana. He went to this school, which was poor, I think mostly black, and he said, "How many of you kids in here plan to go to college when you get out of school?"

Six out of the class held up their hands. He was so appalled by that, he made the same generous offer that a gentleman in New York made several years ago to a class in school. He said, "If you all will stay in school and graduate, I will personally pay for your college education."

Only two kids dropped out before they graduated, and 90 percent of the remainder went to college. Is there a message in that? You do not have to be a rocket scientist to understand that. It means that children want to go to school.

Mr. President, I believe that there are some absolute values, and I believe in values. I did not agree with Michael Dukakis when he said down in Atlanta, "This election is not about philosophy and about ideology; it is about competence."

Mr. President, every election is about values and what you believe, not maybe ideology, but what your values are, how you cherish them, and how you meet them. I believe that one of the values is that no American ought to be deprived of an education if they want it, as much as they will take, and no American ought to be deprived of health care.

Quite frankly, no American ought to have to sleep on the streets because he does not make enough money to afford an apartment or a house. That is what makes a country great.

We are going to find, Mr. President, that how many tanks and planes and guns we have is not the strength of this Nation. It is about our judicial system, it is about our crime rate, it is about our institutions. It is about our democratic institutions, which Eastern Europe does not understand and is grappling with. It is about the preservation of our sacred Constitution.

Mr. President, I said I would be brief, and I have not been quite as brief as I intend to be. Last night the President said, "I want to extend the right hand of cooperation." That is wonderful. But you have to ask, cooperation on what? Just your agenda, your capital gains, your version of child care, your method of dealing with the deficit?

Mr. President, we want to cooperate, too, but we want to have some input into the agenda. I speak only for myself. I do not speak for the rest of the Democrats on this side of the aisle, and for none of the Republicans on the other side.

I speak from the heart about what has made this country great. It breaks my heart to have to stand here and say that we are broke, and we are in

decline, and we have chosen to ignore it.

The President quoted Vaclav Havel last night, the President of Czechoslovakia. Let me tell you what President Havel said in his inaugural address 4 weeks ago. He said,

For 40 years, we have been lied to, and for 40 years we have grown sicker, because we have been saying one thing and believing another.

He went ahead to say,

I assume that you did not elect me President to continue this 40 years of lying. We have to deal with our problems. Nobody else can solve our problems but us.

Mr. President, there is so much of that going on in the U.S. Senate and the Congress and in the White House—saying one thing and believing another. The first thing an alcoholic has to do is admit his problem before he can deal with it. The first thing we have to do is agree this is a serious problem, all of it. It goes right to the basic values of this Nation.

If you skirt it, use metaphors to conceal it, wrap yourself in a patriotic flag to distract people from it, you never deal with it.

Last May, coming back from Vienna, where an observer group from the United States Senate was returning to America, we landed in Iceland. We have a base there, Keflavik Air Base. I had never been to Iceland, a little island of 250,000 Scandinavians in the North Atlantic, a beautiful blue-eyed blond people, bilingual. They speak Icelandic and English. Everything is clean, everything is beautiful. I was absolutely stunned at the beauty of this place.

The Foreign Minister of Iceland came out to the airport, drove himself, to visit with six Senators. He is a graduate of the University of Edinburgh and a very bright, articulate man, a man I would not want to run against.

So in a little give-and-take session at the airport—and we were only there 3 or 4 hours—I asked, "Mr. Minister, what kind of a crime rate do you have here?"

He said, "We have had one armed robbery in the last 1,000 years. I believe it was committed by an American tourist."

I said, "Do your policemen carry guns?" "Oh, no," he said.

"How much do you spend on defense?" "Nothing, Senator, zip."

I said, "You do not spend any money on defense?" "Not a dollar." I said, "But, Mr. Minister, you are a member of NATO." He said, "We like to give them our thoughts, our minds." He said, "Senator, we only have 250,000 people. We are not big enough to attack anybody. If anybody attacks us, we are not big enough to defend ourselves. So we just do not mess with it."

He said, "I will tell you what we do. We educate our children." He said, "We have the oldest living constitu-

tion in the world," the only one older than ours, Mr. President, and he said, "We have the highest literacy rate of any nation on Earth, 99.9 percent."

I could not help but think of our \$300 billion for defense in this country, of our interest on the debt prepared to go beyond the defense expenditures and become the biggest expenditure in our budget, of our children finishing last in educational performance among Western nations. And, Mr. President, within 10 miles of where I am standing, in 1989 there were more murders than in all of Western Europe and Japan combined, and we call ourselves a civilized society.

So, Mr. President, to extend our hand of cooperation we will do the very best we can. But I hope that other Senators feel similarly as I do. I hope that this year the Congress will try to take some initiatives in those areas that are going to prove fatal to this country if we do not start addressing them. I certainly intend to do my very best.

Mr. President, I yield the floor.

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

The PRESIDING OFFICER. The clerk will call the roll.

Mr. DURENBERGER. 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. DURENBERGER. Mr. President, I ask also that I might proceed for 10 minutes as though in morning business.

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

Mr. DURENBERGER. Mr. President, I am often asked, Is there any great debate left in the U.S. Senate? And I said, "well, you have to come and get that answer yourself." But I always use the example of the person who can probably best express what many of us feel, the senior Senator from the State of Arkansas, who has just spent much more time than he intended to spend in morning business because the depth of his feelings is so great.

I intend to make some remarks now about an expedition that we have been part of for some period of time which talks, to a degree, about the human spirit, and then I intend to use the remainder of my time in partial response to the Senator from Arkansas and particularly his characterizations of the remarks of the President last night.

THE ANTARCTICA EXPEDITION

Mr. DURENBERGER. Mr. President, I rise at this point with my map of Antarctica, a continent that I was not very familiar with until one of my good friends decided, after being the

first in almost a century to go to the North Pole on foot, that he would be the first to go on foot across the 4,000 miles of Antarctica. He is joined by five other men from five other countries, dogsledding across Antarctica, a trip that began in August 1989, following this red line through the highest point in Antarctica, also the coldest point in Antarctica, about 4,000 feet, at Volstok. They are now about 3,000 miles from the place they began and about 1,000 miles from their destination in March of this year, their destination being the community of Mirny on the east Antarctica coast, right now traveling at a pace of about 25 miles a day, which will get them there in early March.

The terrain currently is flat, but the temperature is dropping as the Antarctic winter comes. On Monday of this week the temperatures were somewhere between 30 and 44 below zero. But as team leader Will Steger, from Minnesota, said, "Our team can handle the weather; it is a lack of visibility that will be a major problem. If we can't see the trail, we have to sit in our tents and wait."

This map will give the Senate some idea how tough the weather actually can be in Antarctica as well as showing typical expedition life. You see the dogsled and the humans wrapped up on one of the sleds over here, another sled here with four of the members of the expedition there, and the dogs curled up in the snow. It is these kinds of blinding snowstorms packing up to 2 miles of depth in snow in this part of the world and circulating it that makes the trip so difficult.

The snow obviously cuts like glass, and special protection, both for the dogs and for the men involved, is important.

A lot of people have expressed concern about the dogs. I think there is something about humans, who can make decisions on trips like this, that tends us not to have the same sympathy, but a lot of sympathy for the dogs.

Let me reflect from our daily reports that it is really the enthusiasm of the dogs on this trip that picks up the enthusiasm of the men when they get down. As Great Britain's Geoff Somers said,

The coats that the dogs grow naturally are growing even more in Antarctica, and they are in beautiful condition. The dogs have put on weight. They look positively chubby. They are up and excited when we stop for rest, they frolic in snow, lie on their backs, feet in the air, or lie stretched on their stomachs and chests if they need to cool down.

Jeff continues,

The pace of 24 to 25 miles per day remains almost constant until the end of the day when, perhaps over the last hour, the pace increases because the dogs know it is near feeding time and their excitement grows.

Food is very important on the trek for both dogs and the men. They must get a balanced diet that provides them with energy. The food has to be light enough to carry on the sleds yet edible in the cold. For dogs it is easy. Each evening each dog gets a 2-pound block of specially prepared dogfood that they will gnaw on all through the night.

For the men food is more difficult. Each team member eats 36 ounces of food each day. Although the menu may vary, the staples include: for breakfast, a mixture of oatmeal and butter; for lunch, dried fruit, nuts, and energy bars; and for dinner, Pemican, a lard and shredded meat mix, for hors d'oeuvre and peanut butter, soup, cheese, and noodles, rice, or potatoes for the main dish.

So, Mr. President, the team must not only overcome natural and meteorological challenges, but culinary monotony, too. How they do it I am not sure.

One thing I am sure of: the efforts of the six men from six different nations to dogsled across the bottom of the Earth is a historic and especially courageous feat and one that deserves our admiration. Their determination, cooperation, and their drive to overcome overwhelming odds is an example of the human spirit and an example for the world.

THE STATE OF THE UNION SPEECH

Mr. DURENBERGER. Mr. President, having the opportunity to come to the floor today to talk about the expedition and having the opportunity to listen to my colleague from Arkansas, I try to think of what it is that we have in common. I listened to the same speech he did, and I did not come away as depressed.

I think of a couple of things. No. 1, I think about the fact that we are all elected to solve problems, so we concentrate more on the problems than we do on the opportunities.

But I do think that that is part of the problem for those of us who are assigned the job of problem solver. If they are not clearly identified for us, and if somebody like the President does not suggest a solution, somehow or other we are not doing our job. You have to have something to be for or against around this place or the job becomes much more difficult. I found as much unease in a speech that did not have specific solutions to problems that I understand, we all understand, as the Senator from Arkansas. I also find, as he does, in our elections a depressing lack of instruction material.

The current occupant of the Chair recognizes from his own campaign how elections are run and won in this country. We were all here last year, I recall, when the Senator from Arkansas, in the midst of casting a very diffi-

cult vote and a vote that I recall he characterized as being somewhat of a political vote, saying this is going to get translated into a 30-second message and no one is going to understand what we are doing. That is why it is so difficult to get anyone to demonstrate some courage.

Mr. President, you and I both know the power of the 30-second message. That is the way we run our campaign. But not a thing that the Senator from Arkansas said here today can be converted into a 30-second message. Not a thing that the Senator from New York, Senator MOYNIHAN, said about the equity of generations in his statement about payroll tax can be translated into a 30-second message. It played well last night in a one-sentence line that said, "We will never mess with Social Security," and everyone jumped up and applauded.

But that one line missed the problem that the Senator from New York was trying to point out to us. It is a generational problem, not a tax problem, not a Social Security problem. But to try to say that in 30 seconds or to try to say that and cover education, child care and all the rest of these sort of things in a 20-minute State of the Union speech is incredibly difficult.

So I compliment my President for at least having said what we all think we know. But we want the assurance that things are different today than they were 10 years ago. When I came to this place we did not talk about the deficit. It was only \$800 billion. Nobody worried about it. We talked about taxes, we cut the taxes, created a deficit. So, now we have a large deficit and whether it is under control or not I think is a state of mind more than anything else.

But things are different today than they were 10 years ago. I think that places a special burden on the President of the United States. Again, the Senator from Arkansas says he did not give us any specific solutions; he did not tell us how he intends to deal with these problems. I think that is wisdom on the part of the President of the United States. I think there is wisdom in helping us as a Nation to identify the nature of these problems and to work with us in trying to find solutions.

The toughest thing, I daresay, Mr. President, is finding in the human spirit in this country the solution to these problems. It is one thing for me to put up a little map here and talk to you about six human beings who are doing the impossible and quite another to try to instill that same spirit into kids who have to be raised in this community that he talks about—drugs, no family, murder, fear, peer pressure, all the rest of it.

But if the President stood up there with a program for the human spirit, I do not know how he would have con-

veyed it to us. How do you reach down inside somebody and instill in them whatever got instilled in Will Steger and the rest of these people?

America suffers from an excess of, not from a lack of, opportunity. There is so much opportunity in this country that I think that most of us take it for granted. When somebody like PAT MOYNIHAN stands up and says there is something wrong with the way we are doing this Social Security funding because the promise is that there is going to be something there 50 or 60 years from now, but the reality there is paying today's debt so that none of us really have to make sacrifices today, he is right.

And the response to that is not to denigrate either the Senator from New York or the statement that he made. Because all that does is feed all of those folks whose human spirit tells them, "I should not have to give up a little something here so that somebody can have something over there." All of the folks that said, "Hey, don't make me pay more for my catastrophic than somebody else"; all the folks that say, "Don't make me pay anything for my health insurance so that people without health insurance can have a little bit of health insurance."

I think there are too many of us in politics who play to the notion that each of us does not have to make some small sacrifice so that all in this country might have the opportunity that the Senator from Arkansas spoke of. Therein lies the quandry. We are the products of the 30-second television commercial.

It is much easier to knock PAT MOYNIHAN's idea with a one-line statement. It is much easier to attack catastrophic than it is to come to the floor of the Senate and defend it. It is much easier to say, "Do not tax my fringe benefits," than it is to stand up and say, "Nobody in this country is entitled to have the taxpayers buy them \$600 a month worth of health insurance just because they work for a big company, when 37 million Americans have no health insurance at all." It is hard to say that in a 30-second message because there are more people that have that kind of subsidized health insurance than the 37 million who have nothing. And so that is the quandry I think all of us face.

My only disagreement with the Senator from Arkansas is, I wish he would not use my President or his message as part of the problem. I do not think it was. I think the President said times are different. They require different solutions. They require all of us to be involved in trying to find these solutions.

Resolving the Federal role in child care is not simple; resolving the national problem of \$55 billion a year going into medical care when we have

border babies, we have AIDS, we have people going without health care because they cannot afford to get into a hospital or a doctor. We have the inequities in rural communities and cities. Put all our money into high tech and nothing into primary care.

So I think what the President is going to help us do, if we have the courage to respond, is identify the problems, try to find a way in which the human spirit can be applied to those solutions, find the ways in which more personal responsibility, not just political responsibility, is applied to these issues.

That is a long haul for all of us. It is going to take a lot of patience with our President and with each other.

As my colleague from Arkansas says, he is only speaking for himself. That is all I am doing. I am just speaking for myself here today. But I think I am also speaking for a lot of people out there who can get a little more courage from those of us who were their political leaders, a little less money spent on campaigns, and a little more of our rhetoric going into dealing with the realities of some of these problems.

Maybe those of us who are problem solvers could agree on the best way to resolve those problems. And when Will Seger and the boys come back from Antarctica, they are going to confront us with another opportunity, which is this country's attitude toward the environment of that continent. I hope at that time that all of us are going to respond to that particular challenge that they provide us as well.

Mr. President, I thank you for the opportunity of your attention. As one who just stands here not knowing whether anybody is watching television as everyone does at this point of the day, I appreciate very much the attention of the occupant of the Chair, who, I know, as a new Member of this body, appreciates the difficulty. You did not set out to be a politician in your life. That is sort of coming somewhere in the middle of things. I appreciate that there is hopefully something each of us has had to say about the State of the Union today, some opportunity for those of you who are just getting here and just recognizing the opportunities for you in this process, that special role that you are going to play in teaching those of us who have been here a lot longer how to do it better than we have been doing it previously.

EXTENSION OF TIME FOR MORNING BUSINESS

Mr. DURENBERGER. Mr. President, I ask unanimous consent to extend the period for morning business until 11:40 a.m. under the same conditions as previously ordered.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

THE WARN ACT—AN ANNIVERSARY AND A HISTORY LESSON

Mr. METZENBAUM. Mr. President, I rise to commemorate an anniversary and to provide a valuable lesson on recent history to the Senate. Next week marks the 1-year anniversary of the effective date of the Worker Adjustment and Retraining Notification [WARN] Act. As we all know, that law requires an employer to provide workers with 60 days advance notice before ordering a plant closing or a mass layoff.

I am proud to have been the principal author of this legislation designed to help millions of American workers. The final product was a political compromise. While not all that I hoped it would be, the WARN Act is one of the very few significant worker protection laws passed in the 1980's.

And it has worked remarkably well. The doom and gloom predictions of the corporate lobbyists were completely wrong. Employers have had few problems complying with the law. Only a handful of lawsuits have been filed under the law. But most importantly, workers and communities are getting fair notice in advance of a plant closing or mass layoff. They can begin to plan and adjust for new circumstances.

The WARN Act was one of the most contentious issues addressed by the 100th Congress. We fought to include it as a part of the omnibus trade bill. We successfully defeated attempts to strip it from the trade bill. President Reagan initially vetoed the entire trade bill in large part because of the notification requirement. We fell just short of a veto override and we were forced to pass the bill again as a separate measure. Finally, President Reagan relented, in the face of overwhelming congressional and public support, and allowed the bill to become law, without his signature, on August 4, 1988. At the time, he termed the bill a "Ticking Time Bomb." The WARN Act took effect 6 months later on February 4, 1989.

Throughout the process, I maintained that President Reagan's assessment of the law was wrong, and history has proved that I was right. After 1

year, the verdict is in: The WARN Act helps workers and their communities, but does not place undue burdens on employers.

Mr. President, I must confess that I was surprised that the advance notification requirement created such controversy. I maintained then, as I maintain now, that requiring 60 days advance notice of a plant closing or mass layoff is a very modest provision. It is simple human decency to provide such notice to loyal, dedicated workers. They need some time to overcome the pain of losing a job and plan the next step in their lives. It is a matter of basic fairness to give advance word to a community that has bent over backward to attract and retain jobs. With fair warning, city leaders may begin to rebuild the local economy and cope with the increased demand for social services.

But others did not see it that way. A number of Senators on the other side of the aisle bitterly opposed the bill. They termed it a "Marxist economist's dream" and "garbage" legislation that "represents the worst of 'America.'" They predicted that the bill would "create industrial paralysis" and would "prompt an avalanche of costly, wasteful litigation." Time has proven that these Senators were totally wrong.

Those Senators were not alone in their erroneous, dire predictions. The business community, led by the U.S. Chamber of Commerce and the National Association of Manufacturers launched a vitriolic lobbying effort to kill the legislation. For example, the NAM predicted that the 60-day notice requirement would, among other things, "cause the loss of jobs"; "discourage companies from hiring new employees;" and "invite costly, time-consuming and counterproductive litigation that could paralyze management decisionmaking." The Chamber of Commerce charged that the advance notification provision was "an anticompetitive measure imposing European-style government intervention in the marketplace" that would lead to "economic stagnation."

The lobbying effort also included a study conducted by Robert R. Nathan Associates. I have known and respected Robert Nathan for a long time. But recently, his organization has produced so-called objective studies that are little more than political broadsides paid for by the business community. Based on completely absurd assumptions, the Nathan study concluded that the 60-day notice requirement would cost up to \$2 billion annually, including an average of \$850 million per year in penalties.

Now that the law has been in effect for a year, not one of those dire predictions has come to pass. As reported recently in both the Wall Street Jour-

nal and in the National Law Journal, there has been no explosion of litigation under the WARN Act—less than a dozen cases have been filed so far. The Wall Street Journal reported that “few glitches have surfaced” in complying with the WARN Act in the first year of its operation. According to the National Law Journal a “vast majority of companies reportedly follow the Federal plant closing law with little problem.” A spokesman for the NAM has admitted that employers “seem to be able to live with” the law.

Earlier this month a representative of the Cleveland Chamber of Commerce indicated to my staff that the WARN Act has actually been a growth tool because advance notice has spurred community efforts to save the threatened jobs or plan for new ones.

Moreover, as reported last week in the Youngstown Vindicator, there have been 124 notifications provided under the law in my State of Ohio, with no complaints from employers. One of the scare tactics used by the business opponents of the bill was to claim that once workers received notice they would destroy an employer's property. According to the Vindicator, not one incident of worker sabotage was reported in Ohio after an employer gave notice.

Mr. President, the business community and its supporters in this body were dead wrong about the impact of the WARN Act. I said that the advance notification requirement was a modest provision that would not create problems for business. I said that the new law would not open the floodgates of litigation because most employers would comply with the law. It appears that I was right. I have not taken the floor to gloat or to say I told you so. I am here because there is an important history lesson to be learned. Those who do not study history are condemned to repeat it. The WARN Act experience must teach the Congress and the American people to take the business community's dire predictions with a heavy dose of salt.

On any number of measures designed to help working people—be it the minimum wage increase, the regulation of excess pension assets, or the family leave bill to name a few—the business community continues to raise shrill objections. I am sure they will continue to commission so-called economic studies that have no basis in reality. Unfortunately, they will continue to label bills designed to help millions of hard-working Americans as anti-American and crippling to our economy.

But we should have learned our lesson. These are the same, tired arguments that corporate lobbyists have been relying on for over 50 years. By now, the Chamber of Commerce and the NAM must have a special computer program to produce these argu-

ments. If you plug in legislation to benefit workers, the computer automatically spits out the same, emotional buzzwords: It is a mandated benefit that will lead to socialism and economic stagnation and should be called the Lawyers' Full Employment Act. These tactics have been applied over and over again like a broken record against Social Security, minimum wage and child labor standards, Medicare, anti-discrimination laws, and now WARN.

As we debate legislation to benefit workers in the coming session, I trust my colleagues will be more skeptical when corporate lobbyists, who claim to represent the employer community, make their wild predictions. The WARN Act should teach us that these predictions have nothing to do with the realities of business practice in our great country.

I am proud of my lead role in the enactment of the WARN Act. The law was designed to help millions of workers and their communities adjust to painful job losses. And I am pleased to report to Congress that in its first year of operation, the Worker Adjustment and Retraining Notification Act has been effective and has worked remarkably well.

Mr. President, I ask unanimous consent that the articles from the Wall Street Journal, the National Law Journal, and the Youngstown Vindicator be printed in the RECORD.

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

[From the Wall Street Journal, Jan. 9, 1990]

LABOR LETTER: A SPECIAL NEWS REPORT ON PEOPLE AND THEIR JOBS IN OFFICES, FIELDS AND FACTORIES

Layoff-warning law proves little obstacle for retrenching employers.

Few glitches have surfaced in the nearly first full year that companies have been required by the Worker Adjustment and Retraining Notification (WARN) Act to give 60 days advanced notice of plant closings or mass layoffs. The Labor Department says it knows of less than a dozen civil suits filed by workers, unions or local governments claiming violations. General Motors Corp., echoing the position of large unionized employers, says it announces closings at least six months in advance. Many union contracts require the extended notice.

Attorney Ronald Green says employer anxiety about the act was lessened when a federal judge denied punitive damages for some workers who contended they were dismissed without proper warning. The law holds employers liable for up to 60 days back pay. But doubts persist about the law's effectiveness. An American Telephone & Telegraph Co. official says some workers refuse to acknowledge that a job is lost.

Adds a union leader: “Until we can keep manufacturing jobs in the U.S., advanced notice doesn't help much.”

[From the National Law Journal, Jan. 22, 1990]

A FIZZLING “TIME BOMB”

(By Randall Samborn)

The threat of government interference in employers' affairs hovered over the Rust Belt factories of the Midwest and the Northeast Businesses—especially small and midsize employers—feared that the Worker Adjustment and Retraining Notification Act of 1988 would sharply limit their ability to restructure their production and work force. President Reagan, after vetoing a similar measure, refused to sign the bill, calling it a “ticking time bomb.”

The law, however, went into effect Feb. 4, 1989, six months after it was enacted by Congress. After passage, lawyers predicted a wave of new business, advising managers how to comply with the new law, along with an avalanche of litigation every time a company turned out the lights at another aging factory or scaled back the ranks of its employees.

But there has been no explosion yet, in the year since WARN became law. A vast majority of companies reportedly follow the federal plant closing law, with little problem. And while only about a dozen WARN actions have been filed, some important ground rules have been established in recent months in the first court decisions interpreting the statute.

Surprisingly, the pretrial decisions rendered so far stem from employment actions affecting workers on Wall Street and on Atlantic City, N.J.'s Boardwalk—and only a few of the pending cases involve employees in Rust Belt factories.

One such case is unfolding in Chicago, where a Stewart-Warner Corp. factory stands like a dinosaur on the brink of extinction in the midst of a decrepit industrial area on the city's North Side. The plant will be closed in less than two years, and the 1,200 blue-collar jobs it provided a year ago gone, when the company completes moving its instrument gauges manufacturing division to Mexico.

Citing labor costs, the company announced the phase-out plan for the plant Nov. 3 and soon began laying off employees. Although the manufacturer and an employees' union are attempting to negotiate a severance package, the union filed suit Dec. 5 in federal court in Chicago, seeking 60 days' wages and benefits for some 600 employees already laid-off. *Local 1154 of the United Worker Association-United Electrical, Radio & Machine Workers of America v. Stewart-Warner Corp.*, 89 C 8983.

Experts agree that it will take some years to develop enough case law before the full impact of the act on labor-management affairs can be measured.

According to Ronald Green, head of the labor department at New York's Epstein Becker & Green P.C., one reason there has been no flood of litigation is because practitioners have learned during the first year that sound drafting of purchase agreements and revised severance plans can help avoid suits against employers.

“It does seem as if the initial shock of the statute led to a basic level of education [among employers] that has made the risk much more manageable,” says Mr. Green, who is defending employers in three WARN cases, but refuses to identify them.

A spokesman for the National Association of Manufacturers, which lobbied heavily against WARN, agrees the law apparently is

less burdensome than many companies had anticipated.

"If it is affecting [employers], they seem to be able to live with it," says Randolph Hale, the association's vice president and manager of industrial relations.

Organized labor and attorneys for non-union workers also express overall satisfaction with the law. But some plaintiffs' attorneys add that WARN lacks some of the enforcement teeth they had hoped it would have. (Others say that the statute has little applicability to large unionized employers, noting, for example that auto industry collective bargaining agreements commonly include provisions for up to six months' notice in advance of plant shutdowns or layoffs.)

"I think that having enacted the WARN Act is a definite plus for workers in America in terms of a plant closing, but it's more of a band-aid on a massive wound that is hurting the country," says Neil G. Burke, business manager of the United Workers Association Local 1154, which represents employees of the Stewart-Warner plant.

(Stewart-Warner officials referred questions to their attorney, Wade Mallard, name partner in Atlanta's Clark, Paul, Hoover & Mallard, who declined to comment on the WARN litigation except to say the company is preparing an answer.)

LAW'S PROVISIONS

WARN's key provisions are triggered when an employer with 100 or more employees fails to give 60 days advance warning before effecting a "plant closing" or "mass layoff" that results in an "employment loss." Under WARN, a plant closing occurs when 50 or more full-time employees at a single site or unit within that site lose their jobs during any 30-day period because of a permanent closing or temporary shutdown exceeding six months. A plant closing also occurs when such employees experience more than a 50 percent reduction in the hours of work during each month of any six-month period.

The same 60 days' notice must be given by covered employers who order a mass layoff creating an "employment loss" during any 30-day period for either 500 or more full-time employees or 50 workers who constitute at least one-third of the full-time labor force at a facility or unit. Under some circumstances, the 60-days' notice requirement also is triggered when a series of employment losses adds up to the requisite levels in a 90-day period.

The law requires employers to give written notice of such actions to employees or their representatives, state economic development officials, and the chief elected local government official. There are two major exceptions that allow the notification period to be shortened—"faltering business" and "unforeseen circumstances"—in addition to a number of other exemptions.

Failure to give adequate notice leaves employers liable for up to 60 days' pay and benefits for each affected employee and, in some situations (none of which has arisen so far), a \$500 fine for each day that notice should have been given up to \$30,000. The act allows fines to be imposed only in cases brought by local governments against an employer who fails to give adequate notice.

An important feature of the law is that the Department of Labor has no enforcement power, even though last May it issued six pages of non-binding regulations and more than 20 pages of comments interpreting the act. After two years, the government comptroller general is required to submit a report to Congress analyzing the effect of

the law on employers, employees and the economy. Meanwhile, courts continue to shape and define the law as the ultimate arbiter of the statute's often confusing and ambiguous language.

FIRST CASES

Although few cases have been filed, lawyers who handle WARN matters on both sides agree that one conclusion that can be drawn is that the law's scope is not restricted to the industrial heartland, but applies to a much wider range of employment situations, such as brokerage firms, casinos and even law firms. (NLJ, 1-9-89.) Even though the first decisions stem from such unusual employment settings, the courts have addressed some issues—including the effective date of the statute, punitive damages, who is responsible for complying with the notice requirements, and class certification—that likely will apply in other WARN cases.

The first class action certification in a WARN case was granted Dec. 4, 1989 to at least 127 employees who were laid off with little or no notice beginning March 10, 1989, from L.F. Rothschild & Co. Inc., a New York investment banking, arbitrage and brokerage firm.

"The WARN Act seems particularly amenable to class litigation," wrote U.S. District Judge Pierre N. Leval of New York in his ruling, which the plaintiffs' lead counsel, Jeffrey G. Smith, of New York's Wolf Haldenstein Adler Freeman & Herz, hailed as paving the way for future class actions in similar cases. Requests for class certification are pending in at least four WARN cases in federal courts in Louisiana, Minnesota, New Jersey and North Carolina.

Although pleased at the class aspect of Judge Leval's ruling, plaintiffs' attorneys in this case and others lamented the judge's rejection of a claim that the affected employees are entitled to punitive damages. *Finnan v. L.F. Rothschild & Co. Inc.*, 89 Civ. 2718.

"It isn't a bad blow to this case not to have punitive damages because here we have a number of high-paid employees and the potential damages are already high, but it is a serious blow to self-enforcement of the act if an employer acts in bad faith," Mr. Smith says.

In moving to dismiss the suit, Rothschild had argued that its layoff of employees in the mortgage-backed, fixed-income securities and high-yield securities departments did not invoke WARN's notice requirements because fewer than 60 days had transpired since the effective date of the act. Judge Leval rejected that argument as "specious," adding that the dismissal motion raised a "question of first and perhaps also last impression."

The case also provides a test of the "faltering business" exception, which permits managers to delay giving notice when they "reasonably and in good faith" believe that doing so timely would preclude them from obtaining capital or business that would avert an employment loss. Rothschild told its employees that it could not give them 60 days' notice because it was seeking capital that would have been unavailable if timely notice had been given. The plaintiffs counter that the exception does not apply because the financing was being sought from Rothschild's parent, Franklin Savings Association of Ottawa, Kan., and other affiliated companies.

WIDE APPLICATIONS

The only other judicial interpretation of WARN also may have wide application as

far as determining who is responsible for following the notification procedures.

In two related cases involving the former Atlantis Casino Hotel in Atlantic City, N.J., Senior U.S. District Judge Mitchell H. Cohen of Camden ruled in November that the hotel's owners remained the employer for purposes of complying with WARN, even though the New Jersey Casino Control Commission had appointed a conservator to oversee the financially plagued operation. *Finkler v. Elsinore Shore Associates*, 89-2330, (D.N.J.), and *Hotel Employees Restaurant Employees International Union Local 54 v. Elsinore Shore Associates*, 89-2143, (D.N.J.).

In this case, as in several others, alleged WARN violations have spawned two separate suits—one filed by a union on behalf of its affected members, and the other brought as a class action by non-union employees.

The state commission first denied Atlantis' casino license renewal because of its poor financial condition and negotiations to sell the facility to New York developer Donald J. Trump. (The hotel now is the Trump Regency.) The commission later appointed a conservator pending completion of the sale. Last May it ordered all gaming operations to cease within a week, which resulted in the rapid layoff of hundreds of employees.

The *Finkler* case, filed as a class action by 27 non-union employees, was filed four days after the onset of the layoff. The hotel defendants argued that their WARN complaint was premature because six months had not yet elapsed. But Judge Cohen disagreed, ruling that because the owners had no intention of resuming business and rehiring the affected workers, the employees "reasonably expected" the layoff to last more than six months and did not have to wait until then to file suit.

A CATCH-22?

Several management lawyers say that the most difficult applications of WARN arise in the context of selling a business. Under the statute, the seller of all or part of a business meeting the law's threshold must provide notice of any plant closing or mass layoff through the effective date of the sale. After the closing date, the duty to provide notice shifts to the buyer. These attorneys say that many deals happen too quickly to allow 60 days' notice when it applies.

"A sophisticated buyer wants the seller to terminate employees on the closing date, and then rehire those it wants to keep," says Edward B. Miller, partner and senior labor counsel at Chicago's Pope Ballard Shepard & Fowle Ltd., and a former chairman of the National Labor Relations Board. "It is difficult to work out compliance under those circumstances," he adds.

Another problem with the statute, some experts say, is a Catch-22 in the fines provision because few municipalities want to sue employers at the same time that they might be offering incentives to retain jobs in their communities.

For example, the city of Fresno, Calif., considered filing a WARN action on behalf of some 270 employees who were laid off without notice from a turkey-processing plant in September, says Harvey Wallace, city attorney. Although the city believes it had authority to bring the action, the City Council voted against filing the suit. The city's interest was not to obtain fines, but to garner back pay and benefits for the workers, Mr. Wallace says.

"It does put municipalities between a rock and a hard place," he adds.

COMPLIANCE NOT DIFFICULT

Despite some puzzling features of the act which must be hammered out by the courts, most employers are "finding compliance is turning out to be less burdensome than they thought," says Prof. Neil N. Bernstein of the Washington University School of Law, and a labor arbitrator. And even though many employers fear their work force will depart soon after receiving notice of layoff or termination, says Professor Bernstein, "by and large, most people [employers] are being cautious to make sure they don't violate the act."

In fact, in some cases there is overcompliance, according to Daniel V. Yager, and associate at Washington, D.C.'s McGuinness & Williams, which is counsel to the Labor Policy Association, a management group. He says his firm is advising its clients to give 60 days' notice whenever possible.

"We may tell them they don't need to give notice, but will only know for sure if they are sued, and lose," says Mr. Yager, a former minority staff attorney for the House Education and Labor Committee. In many cases, he adds, the cost of defending a WARN suit probably would be greater than the amount of back pay and benefits owed under the statute.

"I think litigation is not so much impeded, but minimized by the remedy available to parties," Mr. Yager says.

Statistics compiled by the California Employment Development Department, the state agency designated to receive WARN notices from employers, confirms Mr. Yager's observation of overcompliance. Through Sept. 30, 1989, the agency estimates that some 16 percent of the notices it had received pursuant to WARN were not required under the law. The department reports that it had received 346 WARN notices of plant closings or layoff affecting more than 31,500 workers between Oct. 28, 1988, and Dec. 31, 1989.

Ironically, management, which had lobbied strongly against passage of the law, seems in most cases to have accepted the responsibility WARN imposes. And labor, which had pushed for the law's enactment, seems to feel it got less than it had hoped for.

Although it is still too early to fully evaluate WARN's impact and uncertainties remain that will be answered only after further litigation, the statute appears to work effectively in many situations without exposing employers to huge judgments, says David Cathcart, a partner in Los Angeles' Gibson, Dunn & Crutcher who represents employers. "It's not necessary to impose large liability and tort remedies to make a statute effective," he says.

But several attorneys representing affected workers harbor doubts about the law's overall effectiveness because, they argue, the incentives for abiding by WARN are not strong enough. Yet, even they concede that having some law is better than having none at all.

"Damages are limited to what the employer would have to pay if he abided by the statute. It allows them to wait and see what happens—without Labor Department involvement—whether there will be private action," says Mr. Smith, Plaintiffs' counsel in *Rothschild*.

Herbert V. Adams III, a sole practitioner in Chicago who represents the union workers at Stewart-Warner, agrees that the law is beneficial in giving employees notice in ad-

vance of a shutdown. "Without it, the company would not have said anything and just gone and closed the door and left for Mexico as a fait accompli," he says.

"It may be more cost-effective [for employers] to pay wages and benefits than legal fees," he adds, "but I've never seen companies act too rationally on matters like this."

[From the National Law Journal, Jan. 22, 1990]

(By Randall Samborn)

RESULT: A HANDFUL OF CASES

Lawyers for labor and management and their clients are closely watching developments in lawsuits pending under the year-old Worker Adjustment and Retraining Notification Act of 1988. The following is a partial list of pending cases compiled by The National Law Journal. (Details of the first four appear in the accompanying story.)

Local 1154 of the United Workers Association-United Electrical, Radio & Machine Workers of America v. Stewart-Warner Corp 89 C 8983 (N.D. Ill. filed Dec. 5, 1989).

Finnan v. L.F. Rothschild & Co., Inc., 89 Civ. 2718, (S.D.N.Y. filed April 21, 1989).

Finkler v. Elsinore Shore Associates, 89 2330, (D.N.J. filed May 26, 1989), and *Hotel Employees Restaurant Employees International Union Local 54 v. Elsinore Shore Associates*, 89-2143, (D.N.J. filed May 18, 1989).

Holcomb v. Pilot Freight Carriers Inc., C-89-227-WS, (M.D.N.C. filed March 31, 1989), and *Kinton v. Pilot Freight Carriers Inc.*, C-89-390-WS, (M.D.N.C. filed June 5, 1989). Two related suits—one brought by a union and the other filed as a class action on behalf of non-union employees—covering more than 2,000 workers who lost their jobs after Pilot Freight Carriers was sold in December 1988. Both cases are stayed during the course of liquidation proceedings filed in June against Pilot Freight in Bankruptcy Court.

Solberg v. Inline Corp., 4-89 Civ. 650, (D. Minn. filed July 28, 1989). A hearing is scheduled for Feb. 12 on defendants' motion to dismiss on grounds that affected workers were part-time employees and on plaintiff's motion for class certification. More than 200 former workers for the packaging company claim they were hired as full-time employees and laid off without sufficient notice.

Carpenters District Council of New Orleans & Vicinity v. Dillard Department Stores Inc., 89-3680, (E.D. La. filed Aug. 17, 1989), and *Plescia v. Dillard Department Stores Inc.*, 89-3751, (E.D. La. filed Aug. 23, 1989). Also two related suits—one with a union plaintiff and the other a class action on behalf of more than 500 non-union employees. A class certification hearing is scheduled for Jan. 24. The plaintiffs' claims are against both Dillard and the former D.H. Holmes Co. Ltd., a regional department store chain that was bought by Dillard last May.

Jones v. Kayser-Roth Hosiery Inc., 3-89-545 (E.D. Tenn. filed July 28, 1989). A class action covering some 900 non-union employees who allegedly suffered an "employment loss" without adequate notice during the phase-out of a hosiery plant. This case is expected to test the statutory defense of "unforeseen circumstances."

[From the Youngstown (OH) Vindicator, Jan. 26, 1990]

BOSSSES COOPERATING WITH ADVANCE NOTICE

(By Don Shilling)

SALEM.—A state official said he is surprised how well employers have accepted a 1989 federal law that requires advance notice for some plant closings and layoffs.

Nearly half of the companies who have given advance notice of job losses have not been required to do so by the law, said Michael Hock, director of the state Rapid Response Unit.

The unit, which is a branch of the Ohio Bureau of Employment Services, was set up to administer the Workers Adjustment and Retraining Act, which Congress passed in February 1989.

Hock told about 30 people at a meeting Thursday of the Columbiana County Job Service Employer Committee that he had expected more resistance to the law. His unit began operating last July.

He gave the following reasons why it appears the law has been accepted:

Of the 124 notifications received, 57 have not been required. Notices have been made for as few as nine laid-off workers, when notice is required for no less than 50.

About 20 percent of the notifications have come with more than the 60 days required.

The response unit has heard no complaints from employers about the law.

No company has refused help from the unit even though the law requires only notification.

No violators of the law have been found, even though penalties are not that tough. A company in violation of not giving 60 days' notice can avoid a fine by paying the workers their daily rate, plus benefits, for the part of the 60 days they were not notified.

There have been no incidents of worker sabotage, as some had feared would happen with advance notice.

Hock said his five-person unit has focused on helping workers find other jobs because notification usually comes too late to come up with solutions that will save a firm.

The unit has had no success yet as saving companies from going under, he said. But negotiations for employee buyouts are ongoing at three companies who are on the brink of shutting down, he said.

The unit also will initiate action without being asked by those involved, he said. The unit's help was accepted by the Quaker Oat plant in Marion after the unit read in a newspaper that some workers might lose their jobs.

The company is working with the unit even though a potential mass layoff or closing is more than 60 days away, he said.

In most cases, the unit's work is limited to helping workers prepare for another job, he said. Workers are informed about Ohio Bureau of Employment Services (OBES) programs, such as retraining through the Job Training Partnership Act, he said.

The unit coordinates workshops, where workers are helped in preparing resumes and tips on finding a job, he said. Support groups can be established, and mock interviews can be held and videotaped, he said.

Information is provided about what jobs are available in the area, he said.

Hock said the law says the unit should make a visit to a plant within 48 hours after notification is received. A meeting is then set up with the employer, employees, OBES officials and community officials to talk about what the workers need, he said.

EXTENSION OF MORNING BUSINESS

Mr. KOHL. Mr. President, I ask unanimous consent that morning business be extended until 12 noon under the same conditions as previously ordered.

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

The Senator from Wisconsin is recognized.

Mr. KOHL. I thank the Chair.

(The remarks of Mr. KOHL pertaining to the introduction of S. 2050 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

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

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

ESCALATING OFFENSIVE IN ANGOLA

Mr. SYMMS. Mr. President, I am concerned about the press reports both this morning and yesterday morning regarding UNITA President Jonas Savimbi. As has been reported in the media, our good friend—the distinguished Presiding Officer also considers Dr. Savimbi a good friend—is the bastion of freedom, the example of a true Western democrat in the continent of Africa, with a remarkable record success in achieving freedom for parts of Angola against insurmountable odds. Yet now, the aid to UNITA has slackened some from the West. Unfortunately, westerners normally think that when the battle is over they can stop the fighting. However, the Communists are usually very patient and they think time is on their side and continue the aid.

Mr. President, Dr. Savimbi was forced to cancel his trip to Portugal. News indicates that the cancellation was because of the escalating offense against UNITA. The offensive was described by President Savimbi in the Washington Post as "the biggest air offense ever mounted in Angola's 16-year war." He also said that there has never been anything like this.

The article states the Angolan Government forces began an intensive bombing campaign Monday, launching several raids near the UNITA-held town of Maving's with 14 Soviet-built Mig-23's and other warplanes. It adds that the Government forces are using fragmentation bombs to attack the surrounding area where 11,000 UNITA civilians live. These fragmentation bombs are cluster bombs, as they are

often called, which can raise havoc on civilian population. There is very little protection for people. It is a warm climate. The housing is very rudimentary, very basic. It is devastating to schools and to population centers.

The MPLA is deliberating targeting the schools and hospitals in UNITA civilian territory, hoping to panic the civilian population and demoralize UNITA supporters.

Mr. President, I have known President Savimbi since 1984—even before that, but I had the opportunity to meet him in Jamba in 1984 as the first Member of Congress to visit there. He is a very straightforward speaker. He told me then, when I asked him what those of us who wanted to help people who love liberty, could do, he told me to go back to the Congress and repeal the pro-Marxist Clark amendment; that he was not impugning the motives of Senators and Congressmen who had supported it, but he said it had turned out that it had had a very clear implication to help the Marxists in Angola and was detrimental to the forces of freedom in Angola.

The Senate wisely voted for my amendments, and later the House did, and I have appreciated the help in that effort of the distinguished Presiding Officer.

We felt we had made headway. We had made headway. I think we did the right thing. I think the Senate did the right thing, the House did the right thing, and it looked like we were making headway.

But in his own words today, he says UNITA's situation is seriously deteriorating in the face of Soviet escalation in Angola. It is interesting that all we hear about is glasnost, perestroika, and how we are now going to have Big Macs in Moscow.

I am delighted they are there, because I believe McDonald's will do more for capitalism and freedom in the Soviet Union than maybe any other diplomatic effort we could make because, one, they are going to show people how to run a fast-food business; two, they will teach people how to work, which is badly needed in the Communist bloc countries; three, they give people the opportunity to see there is a better life outside the Iron Curtain.

All of those things are good and positive. I welcome them. But while that is going on, we should not lose sight of the fact there is another face to the Soviet Union, and that face is there are still some people in the Soviet Union who are expanding their long-term goals since 1925, and that is to try to get across the central part of the African continent so they can have the treasure house of minerals in their warehouse in case of a confrontation with the West.

In his own words, Dr. Savimbi is saying UNITA's situation is deteriorat-

ing. I think the Senate needs to know why.

The President has promised UNITA they would be provided with "appropriate and effective" assistance, but it is clear that the deterioration of the situation points to a complete inequity with regards to our support.

I urge the President, and Members of the Senate and others to address this issue personally and immediately.

As long as the Soviets are directing the slaughter of innocent Angolan citizens, the United States should ask itself whether Mr. Gorbachev is really the true reformer he is portrayed to be. Do the Soviet weapons get shipped to the MPLA purely because of the bureaucratic inertia in the Soviet Union?

Are we supposed to believe that Mr. Gorbachev's low-level bureaucrats are deciding to transport Mig-29's to Cuba and SU-25's to Communist Angola?

Mr. President, I do not think we can be that foolish as to believe that somehow Mr. Gorbachev—Time magazine, incidentally, chose him as "Man of the Decade"—is not an accomplice of these shipments of weapons to the Third World. In such a highly centralized system of government, Mr. Gorbachev assuredly is aware of his foreign policies. While talking peace, he is pursuing the military extermination of UNITA.

While President Savimbi has been trying to revive the peace process, the MPLA has once again shown its true colors and is trying to annihilate its political opposition.

Mr. President, Mr. Savimbi is a man of peace. He sought to salvage the 1975 peace accords. He is now seeking to salvage the promises of the June meeting in Zaire with MPLA President Dos Santos, when Dos Santos promised national reconciliation talks and a cease-fire.

And Savimbi is pushing to fulfill his side of that pledge. But the pledge at Zaire proved to be just another broken promise by a regime in Angola which is backed by the Soviets that has never sought peace or reconciliation. They have only sought annihilation of those who disagree with their one-party rule of that country.

Several months ago, UNITA offered through Zairean President Mobutu, a cease-fire proposal to the MPLA. The proposal was flatly rejected. The MPLA Central Committee on January 22 of this year, reaffirmed the party's role as vanguard of the working people and endorsed continued one-party rule. Clearly, the message of Eastern Europe has not sunk in with the dictatorship in Angola. The MPLA dictator is presenting himself in the same light as the once leader of Romania, Ceausescu.

The State Department in January, issued a statement which acknowledged the role of 100 Soviet advisers in

the combat operations against UNITA's heartland. That statement was, to put it mildly, deficient. What is needed from the State Department is a strong, immediate and public criticism of the MPLA's aggression and a demand to the MPLA to accept the cease-fire bid and UNITA's call for direct talks.

Mr. President, it disappoints me, while so many good things are happening and so many things that our leadership and the administration are pushing to do that I approve of, that somehow some of these things they seem to be so passive on are in the face of an active disinformation campaign against UNITA.

In what appears to be abject complacency on the part of the State Department, the MPLA plans to host another summit with a handful of radical African nations who earlier called for President Savimbi's exile and political absorption of UNITA into MPLA forces. These countries have traditionally been hostile to UNITA and to the United States, yet the MPLA depicts them as representative of African opinion on the Angolan conflict.

The State Department must develop a program to recapture the negotiation initiative from this MPLA-orchestrated arrangement.

We must have our administration and our State Department officials get aggressive and informative to the press, the public, and to the world about this outrage that is taking place in Angola.

State Department officials have been quoted in the past as saying that it is not up to the United States to proscribe solutions for the Angolans. This is not what UNITA wants either. UNITA wants the United States to forcefully defend democratic institutions and to restate United States objectives for free elections in Angola.

While the State Department advocated free, internationally supervised elections in Namibia, they have oddly avoided endorsing elections in Angola. UNITA does not want the United States Government to write its constitution, but it does want us to endorse self-determination in Angola. I remind my colleagues that UNITA is the only political party in that country which supports free elections.

It is the only party in Angola that supports free elections.

Mr. President, I believe the United States must not shirk its responsibility. We must play a role in encouraging other friendly African nations to become involved in a peace process as a counter to the proposals of MPLA radical coalition.

Finally, the Angolan carnage in which the Soviets are participating must be raised during Secretary Baker's meeting with Soviet Foreign Minister Shevardnadze. The Soviet conduct in the Third World is a vital

indicator of Soviet long-term intentions toward the United States. I think we have found out in the past 8 years that when we stand firm when the Soviets—prod with the bayonet, if they hit steel, they back up. If they hit softness, they push forward.

Nothing has really changed on the part of some of the hardliners, of the old Stalinists in the Soviet Union. But unless we stand firm, the Soviets are going to feel free to act with impunity in the Third World to the detriment of U.S. national security interests. While we are diverted watching what is happening in Eastern Europe and other places where there is so much excitement for the world, so much excitement and hope for mankind, for freedom, rights in Africa, they are pushing forward with their program.

So I fervently hope that President Bush will direct his personal attention to this urgent crisis in Angola. I have raised this matter with members of the Bush administration, and I urge my colleagues to do likewise. UNITA depends upon us in this critical time.

If we in the Senate, and we in the United States fail to fulfill our longstanding commitment to UNITA, Africa, and its people will pay a very, very heavy price. The Soviets have never inflicted anything upon Africa except misery, poverty, bloodshed, and death upon their African client states.

The United States cannot condone in Africa the government-imposed misery the East Europeans are trying to discard, we simply cannot accept that, Mr. President. It is unacceptable to those of us who believe in human rights. If we do accept it, then we are shirking our responsibilities.

The best course for us to take would be to decide that we should be on the side of freedom. I urge my colleagues to get briefings of what is happening. The reports are that the Soviet-inspired, and possibly led, troops, aircraft, armored columns are raising havoc near Jamba as we speak. The choice is very simple. It is a realization which will be our challenge. We must stand up for freedom in Africa at this time. I yield the floor.

If there is no other Senator seeking recognition, 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. DECONCINI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

EXTENSION OF MORNING BUSINESS

Mr. DECONCINI. Mr. President, I ask unanimous consent that morning business be extended for 5 minutes.

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered.

THE CONFLICT IN ANGOLA

Mr. DECONCINI. Mr. President, I want to focus the attention of the Senate today on a grave series of events occurring in Angola. A bloody and senseless struggle is being carried out, largely outside the view of television cameras or the press.

The Senator from Idaho [Mr. SYMMS] was just speaking on Angola and the conflict there between the MPLA and the UNITA forces. I urge the Senator to talk to the administration, as I recently have done. I think he will be satisfied that our resolve as a nation in support of Jonas Savimbi and the UNITA forces and the democratic process is certainly represented, and I say to those of us who have such a longstanding interest, as the Senator from Idaho does, that our resolve and our support continue.

I think what the Senator said this morning about the particular situation going on there is very important. Indeed, Mr. Dos Santos and the MPLA have launched what I believe may be a desperate effort to bring disruption and damage and death to the civilian population in an effort to demonstrate that they can commit a military effort when they are confronted with the peace process which they apparently feel is not going the way they want it to go.

That really is what is happening in Angola. There had been a cease-fire. There had been a tentative agreement to commence negotiations on power sharing. There had been an understanding that Jonas Savimbi himself would be willing to extract himself during this negotiation process, if necessary, understanding that he would have the right, as anyone should have, to ultimately participate in a true reconciliation and elections on a national level.

So I think we had the basis of a cease-fire and the basis of a reconciliation, nationally, in Angola before the MPLA decided they just did not like the way things were going, so they were going to once again, start a military action. I think that is deplorable, and I think it certainly bodes very poorly for the good intentions of UNITA in trying to reach a settlement there.

Secretary Cohen, our Assistant Secretary for African Affairs, has worked tirelessly, and I am satisfied, at least at this moment, that the U.S. resolve is still there and that we are prepared

to continue whatever assistance we have committed to see that the UNITA forces are not damaged or repelled by the MPLA.

In one sense, it is perhaps understandable that so little attention is being paid to what may become a large scale slaughter. We have all been caught up in the rush of recent world events. The people of Eastern Europe have toppled tyrant after tyrant. A cowardly dictator has been ousted from Panama. Yes, I believe we should celebrate the victories of democracy in recent months. But we must remember how sharply this contrasts with the 16 years of devastating civil war in Angola.

The promises of peace last summer have been replaced by a new MPLA military offensive in southern Angola. As noted by our State Department, the MPLA regime has committed armored vehicles, tanks, and several thousand troops in this attempt to impose a military solution on the Angolan opposition. These mechanized divisions are being supported by Soviet technicians and advisors.

The destruction caused by this offensive is being augmented by renewal of the air war against UNITA positions close to the UNITA-controlled town of Mavinga. Reports indicate that squadrons of modern MiG aircraft, flying at great heights to avoid UNITA missile fire, are carrying out indiscriminate bombing runs against guerrilla positions. These same reports claim that the large scale bombing include the use of fragmentation, or cluster-type, weapons. Unfortunately, it is the civilians living in the area who are suffering the most from this indiscriminate bombing.

An ominous recent accompaniment to the MPLA offensive was a statement last week by the Cuban Foreign Ministry that Cuba is suspending the withdrawal of its troops from Angola in response to the loss of four Cuban soldiers in an area outside the current fighting. If this is a signal that Cuba intends to break its commitments under the Tripartite accords, the implications for peace in the entire southern African region are troubling indeed. The Government of South Africa, which has been satisfied by the Cuban withdrawals to date, has expressed to our Government its great concern over the Cuban announcement and its possible impact on the Namibian independence process.

Perhaps the greatest tragedy of this latest MPLA offensive—an offensive that has left hundreds dead or wounded—is that it is pointless and unnecessary. Pointless, because it is clear that the war can only be ended by negotiation. MPLA hopes for a military solution are illusory. And supporters of the MPLA must ensure that this message is understood in Luanda. Unnec-

essary, because a ceasefire is the best alternative available.

Last fall, the African mediator of the Angolan peace process, President Mobutu of Zaire, made a second attempt to end the fighting. His proposal took into account the flaws of the original ceasefire, which rapidly evaporated because of a lack of agreement on methods to verify and enforce an end to the fighting. The United States endorsed this proposal and UNITA accepted it. Instead, the MPLA launched a massive military offensive.

Under these circumstances, it is a sad commentary that the world has remained so silent. The administration's condemnation of this outrage has been surprisingly mild, particularly when it had twice attempted to get the Angolan regime to agree to a ceasefire. Assistant Secretary of State for African Affairs Cohen has just returned from Luanda in an unsuccessful attempt to put an end to the killing. Those that argue that the MPLA is serious about peace and national reconciliation have received a definitive answer. The MPLA remains committed to the military option.

It is alarming that one of the diplomatic triumphs of the past decade is now being threatened just as it begins to bear fruit. The Constitution of newly independent Namibia is one of the more democratic and liberal in the world. It ensures a multiparty parliament, protects basic human rights, and provides free elections. If the new government lives up to its early promises, we can expect stability and prosperity in this newest of nations.

New winds are stirring in other parts of the southern Africa subcontinent. Botswana, once one of the world's poorest nations, is prospering under a democratic government and sound economic management. Mozambique is beginning to recover from earlier disastrous socialist policies and has improved its relations with the West. Even in South Africa, there are glimmers of hope that the white minority regime may be willing to talk about fulfilling the long suppressed aspirations of the black majority. We will all watch closely President de Klerk's words and actions as the South African Parliament opens.

We hope that the blessings that are promised for Namibia, will prove an example to its neighbors both North and South. But in Angola, the conflict which has torn the country apart and caused so much suffering must first be ended. The steps necessary to do this are clear:

The administration, and for that matter the Congress, must clearly state that peace is the only viable solution to the Angolan civil war. We must issue an immediate call for the MPLA to stop its current offensive;

We must call on the Soviet Union to extend glasnost to Angola and to end

its participation in the fighting and its shipment of arms to the MPLA;

Finally, the administration must make clear that it intends to maintain its support for UNITA until the MPLA agrees to a ceasefire, takes the steps necessary to begin talks on national reconciliation, and proceeds toward free elections.

It is for this reason that I will be submitting a resolution later today denouncing the military offensive in Angola and urging an immediate ceasefire.

MARTIN JOHNSON RETIRES AFTER 55 YEARS OF DEVOTED SERVICE TO THE SOCIAL SECURITY ADMINISTRATION

Mr. HEFLIN. Mr. President, this Nation retains its greatness through the efforts of men and women who are willing to devote their lives to serving others. One such person is Mr. Martin Johnson who recently retired as a district manager for the Social Security Administration in the Mobile, AL area. His 55 years of dedicated service to the Social Security Administration and the people of this country should serve as a shining example to us all.

Martin Johnson began his illustrious career with a short stint at the United States Steel Corp. before beginning his long tenure with Social Security in 1936. He served for 12 years with the old Social Security Board before becoming the longest serving district manager in the agency's history. On December 29, 1989, Mr. Johnson stepped down as the manager of the Mobile District Office after 43 years.

The Mobile community has benefited from Martin's involvement in numerous areas. He has played active roles in any civic groups and is recognized as a pillar of the community. Perhaps the greatest recognition of his involvement came when Martin was selected as the "Mobilian of the Year" in 1954. In addition to his extensive activities with the Mobile Area Chamber of Commerce, Martin has served many other charities and organizations.

Five years ago, I did a tribute to Martin Johnson after 50 years of faithful service to the Social Security. Little could I imagine that he would still be serving the needs of the Mobile area at the end of 1989. His talents have long been recognized by leaders such as President Eisenhower and Queen Elizabeth. Mobile is indeed fortunate that he plans to continue his civic activities. It is seldom that a man of Martin's caliber and drive spend their entire life serving others.

Mr. President, I congratulate Martin Johnson on his retirement and look forward to his continued success in any future endeavors. I ask unanimous consent that an article from the

Mobile Press Record describing his accomplishments be reprinted in the RECORD.

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

JOHNSON GETS NEW ROLE IN SOCIAL SECURITY PROGRAM
(By Ron Colquitt)

After 55 years of handing out Social Security checks, Martin I. Johnson will soon be getting them.

Dec. 29, Johnson will retire as the Social Security Administration's southwest Alabama district manager. He began working for the federal government in January 1935.

Johnson has received many promotions and awards over the years, but he is most proud of being named Mobilian of the Year for 1951, an honor bestowed him for his civic work, particularly playing Santa Claus during six Christmases.

He said he has served as manager in one location longer than any other manager in social security history.

According to Johnson, he stayed with the SSA for 55 years because he enjoys the work. "I particularly like helping people and meeting people because I meet with every level of society."

The SSA was formed in 1937, Johnson said. There have been many changes in the SSA over the years, he said, but the biggest change was in 1940 when people began receiving monthly checks.

"Prior to 1940, when you became 65, you received a little lump sum of 3½ percent of the total earnings that you paid taxes on, and then you were wiped out," said Johnson. "We started the monthly benefits for retirement in 1940 and also paying death benefits to widows and children."

"Since then we have had the disability benefits and medicare and the extension of coverage. First it was only wage and salary earners in commerce and industry. That was about 26 million people. Now it is about 110 million people because it has expanded to self employed, farm labor, professional people and domestic service."

Today, 39 million people are getting SSA payments each month, he said. There are concerns the SSA will one day go broke, and payments will not be available to retirees. Johnson said people should not worry because the SSA has plenty of reserves.

"They never mention any figures, they just say it's going broke," said Johnson. "It just so happens that last year, for example, they took in \$292 billion and paid out \$247 billion. There is over \$100 billion in reserves right now in treasury bonds, and it is expected to double within the next 12 months."

Over the years, Johnson has earned numerous awards from the city of Mobile and the Catholic Church.

He said he is most proud of being named Mobilian of the year and being named Knight Commander of the Order of St. Gregory the Great, Knight Commander of the Order of the Holy Sepulcher of Jerusalem and Knight of Malta.

The knighting ceremony was held at St. Patrick's Cathedral in New York City, in 1939. "You had to be nominated by the bishop of the diocese," Johnson said. "You have to have a complete resume of what you have done, what your outstanding achievements have been. That goes to Rome (Italy), and a committee there sends it to the pope. If he approves, he sends . . . a document naming you a knight commander."

Johnson said he was also proud of the citation he received from President Dwight D. Eisenhower. The citation was for promoting U.S. Savings Bonds in the Mobile area. Vice President Richard M. Nixon presented the citation to Johnson.

He said of Nixon, "I was certainly impressed with the man. . . . Any question you asked of him, he had the answer right then."

Johnson is married to the former Doris Lassetter and they have four children. His hobbies include reading, working in the yard and being involved in civic organizations.

He is still active in Friends of the Museum of Mobile, the Mobile Area Chamber of Commerce, the Mardi Gras Special Events Committee and the Catholic Maritime Club.

After retiring, Johnson will just take it easy and do nothing for the first three weeks, he said.

According to Johnson, after his three-week break, he plans to get busy with Mardi Gras activities.

Asked if he was ever going to play Santa again, Johnson, who didn't want to reveal his age, said no. "I'm too old for that job now," he said with a laugh.

HUFFMAN MIDDLE SCHOOL ANTIDRUG PROGRAM

Mr. HEFLIN. Mr. President, I rise today to pay tribute to the antidrug program at Huffman Middle School in Birmingham, AL. Much of the credit for this program must go to the students, but the school's principal, Albert Morton, also deserves high praise for his leadership.

During the 1987-88 school year the faculty decided to fight the growing drug problem among the 360 sixth-through eighth-graders. During the next fall, Morton began what has become a very successful antidrug program. He named the program after the long-time school mascot, the RAIDERS. In this case, RAIDERS is an acronym for resist actions involving drugs—even resist smoking.

Morton knew that having both parents and students involved was a key to this program's success. He started an advisory committee of students, parents, and teachers to help implement the program and most of the students signed personal pledges against drugs. In addition the parent-teacher association agreed to help implement the various projects.

During the first year 97 percent of the students signed the pledge against drugs. These students also promise to help keep their friends off drugs. All signs are that the program is working. After numerous drug-related incidents 2 years ago, Huffman had only one drug-related problem last year.

Albert Morton has been the principal for 25 years and was a basketball coach before starting as principal. Morton's initiative and drive have been credited with much of this program's success. He ordered red T-shirts printed with the RAIDERS name. He also has paper napkins bearing

antidrug messages in the school cafeteria. Cheerleaders lead antidrug use cheers in pep rallies. It is not just a "say no" program, it is an affirmative program.

Although we must fight the drug problem from both the supply side and the demand side, I am convinced that education will become the most important facet of this war on drugs. The RAIDERS program represents an innovative approach to the problem and has been recognized as one of this year's State winners of the Alabama Department of Education and U.S. Department of Education's Drug-Free School Program. The RAIDERS program is now in the national phase of the competition and it is my hope that this program will also fare well in this phase.

Again, I want to offer my congratulations to the participants in the RAIDERS program. Principal Albert Morton, the parents, the faculty, and especially the students deserve our support and praise for their outstanding efforts to win the war on drugs.

TRIBUTE TO DR. THOMAS B. NORTON

Mr. HEFLIN. Mr. President, I rise today to pay tribute to my friend, Dr. Thomas B. Norton who died on January 5, 1990, at the age of 71. As the former mayor of Gulf Shores, AL, Tom Norton left a great imprint on this area of the State.

Before moving to Gulf Shores, Dr. Norton lived in York, AL, where he was a city councilman for 11 years. While in York, he also practiced as a general surgeon and obstetrician as well as serving as the hospital administrator. When he moved to Gulf Shores, Tom gave up his surgery and obstetrics and practiced medicine only part-time. He quickly gained acceptance in the community and was elected to the Gulf Shores City Council in 1972. He was elected for two terms and served until 1980.

In 1980, Dr. Norton was elected to his first term as mayor, serving for 8 years before stepping down in 1988. His tenure as mayor saw tremendous changes for Gulf Shores. He oversaw the incredible growth that Gulf Shores saw during the 1980's. He led the efforts which expanded the city boundaries, the city hall facilities, the sewer system, the public beach facilities, and the school. He oversaw the addition of new police facilities, an additional fire station with more equipment, the Erie H. Meyer Civic Center, and new beach cleaning and street sweeping equipment. In addition, he helped the city develop a comprehensive plan for future growth.

Gulf Shores is fortunate to have had someone with Dr. Norton's experience and abilities to run the city during

these years of growth. The knowledge he gained on the York and Gulf Shores City Councils helped make many of these transitions much easier.

Dr. Norton led a full life and made Gulf Shores a better place in which to live. He will be missed greatly.

HAPPY 77TH BIRTHDAY TO WINSTON BUSH McCALL

Mr. HEFLIN. Mr. President, I rise today to pay tribute to Winston Bush McCall who turned 77 on January 19, 1990. I want to wish him belated "happy birthday" wishes and many happy returns.

Winston Bush McCall, Sr., has long been one of Alabama's most outstanding citizens. Throughout his life he has found success in each of his varied endeavors. Perhaps the most telling aspect of Winston's character is that through all of his activities, he never failed to act with honor. He is a man of his word and a man of convictions.

Winston's intelligence and drive became obvious while at the University of Alabama. As a member of Delta Kappa Epsilon and a Phi Beta Kappa initiate, he went on to win the Ames competition in 1935 at Harvard Law School where he was later awarded a juris doctorate.

For over 50 years, Winston has served as a member of the bar of the Supreme Court of the United States, of New York and of Alabama. This service earned him much deserved recognition from a bar certificate acknowledging his "honorable, devoted and dedicated service to the community, State and Nation."

During World War II, Winston fought for this country in the Army. He was a lieutenant colonel at the end of the war and later retired. His 5 years of Active Duty service during the war earned him much deserved recognition from such diverse people as Lieutenant General Campbell and U.S. Treasury Secretary William E. Simon. Continuing his interest in military matters, Winston served as president of the American Defense Preparedness Association and the governor of the Alabama Society of Colonial Wars.

Perhaps the best description of Winston B. McCall, Sr., was made by Secretary Simon who called him "A southern gentleman and a devoted American." Again, I want to wish Winston a "happy birthday" and an exciting 1990.

TRIBUTE TO D. MITCHELL SELF

Mr. HEFLIN. Mr. President, I rise today to pay tribute to one of my dearest friends, Mitchell Self, who died recently in Colbert County, AL. Mitch was a great man and a great friend.

As a professional, Mitch was one of the best. A successful radio broadcast-

er, a pioneer in programming concepts that brought him State and national recognition among his peers. He served as president of the Alabama Broadcasters Association, the 1989 Alabama Broadcaster of the Year and as a member of the board of directors of the National Broadcasting Association.

As an enterprising businessman, he was selected to be the chairman of a new and successful bank. As a public spirited man who believed in improving his community, he served in many ways, including more than 20 years as chairman of the utilities board of his city.

As a church man with an unwavering belief in God, he rendered service to his denomination as a deacon.

As a family man, he was devoted to his wife, children, and grandchildren.

Few individuals had the friends that Mitch Self had. In thinking about Mitch, the trait that kept constantly coming back to me time and time again was his loyalty. He was a true friend. As I talked with many of his friends before his funeral, it came through that each of them had a relationship in which loyalty stood out.

Hundreds of friends gathered at the funeral home to pay their respects. I do not think I have seen as long a line of friends at a funeral home. As I stood in the funeral line, my thoughts went back to my friendship with Mitch and what he meant to me. I recalled numerous instances when he had befriended me. He was indeed my friend.

Many have told me about their feelings toward Mitch and his friendship. Let me repeat a few of the things I have heard:

If you needed him, he would be there.

He would stick with you.

If he told you something, you could go to the bank with it.

A younger friend said, "He was like a father figure to me."

These comments came from the heart because they reflect the love his friends had for him and the loyalty he had for his friends.

His devoted wife, Jimmie, was ideally suited and matched for Mitch. Her quiet understanding ways helped Mitch in so many ways. She knew the right thing to say and to do at the right time. She knew how to bring the best out of him. I believe that his wonderful trait of loyalty was reinforced because of her loyalty to him. As I was thinking about Mitch and Jimmie's wonderful marriage, the words of Ruth to Naomi in the Old Testament came to mind:

Entreat me not to leave you or to return from following after thee, for whether thou goest, I will go and where thou lodgest, I will lodge—Thy people shall be my people and thy God, my God.

Mitch was wise in his choice of Jimmie as his wife, and she never let him down. He loved each of his children dearly and was very proud of them. He also loved his grandchildren, and as they grow and learn more about Mitch, they too will be very proud of him.

Another part of Mitch that many people never saw was his love of his farm. He loved to put on his cowboy boots, his jeans, and cowboy hat and wander around in the countryside and on his farm. This provided great enjoyment to him and it brought him closer to things he loved. There seems to be something in the soil that brings out the best within us. While many of us were not raised on a farm, nevertheless, our association with rural life and particularly the soil seems to give us inspiration to acquire certain desirable values. Mitch had these values: hard work, patriotism, religion, and loyalty.

I speak today to celebrate the life of a wonderful friend and a wonderful family man whose values of life have been an inspiration to all who knew him.

We are all better because Mitch Self came our way.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 1,783d day that Terry Anderson has been held in captivity in Beirut.

EXTENSION OF MORNING BUSINESS

Mr. DeCONCINI. Mr. President, I ask unanimous consent that morning business be extended until 12:30 p.m. today.

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

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

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

EXTENSION OF MORNING BUSINESS

Mr. LIEBERMAN. Mr. President, I ask unanimous consent morning business be extended until the hour of 1:30 p.m. under the same conditions as previously ordered.

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

Mr. LIEBERMAN. Mr. President, I ask unanimous consent I be allowed to

proceed now under morning business for not more than 15 minutes.

The PRESIDING OFFICER (Mr. WIRTH). The Senator from Connecticut is recognized.

THE COSTS OF CLEAN AIR

Mr. LIEBERMAN. Mr. President, addressing myself to the matter before the Chamber at this time which is Senate bill 1630, the Clean Air Act, in the last several days we have heard a lot of discussion about the costs of S. 1630, with estimates provided by various sources. The most alarming come either from the administration or industry; that is, they are alarming on the price they put on the direct expense of complying with S. 1630.

In my opinion, in at least two substantial respects, those cost estimates are not on target. I believe they are fundamentally flawed. Let me explain why.

It has been cited before but it is important to cite it over and over again. The direct cost estimates that are attached to this bill do not consider the health costs of not passing and complying with this bill. The American Lung Association in a recent report estimated that the health care costs from air pollution are \$100 billion a year, which is greater than any of the cost estimates we have had for the direct impact of passage of the bill on the industries or individuals involved.

One study reported by the Lung Association said that the health care costs from mobile source alone, from the automobiles and light trucks we are talking about, costs \$93 billion a year.

What are we talking about here? We are talking about the cost of illness. We are talking about the cost of lost wages and time, time lost by employers from their employees being out. And we are talking about the incalculable cost of the death of people who have been affected extremely by dirty air.

The second reason why I think these alarming cost estimates of the direct impact of the bill are flawed is the numbers presented to the Members of Congress are ultimately exaggerated. Today we received further evidence of that exaggeration in a report from our own Congressional Research Service. It reviews the estimates that EPA has put on title III of S. 1630, which is the air toxics provision of this bill.

The air toxics provision is one of the most controversial parts of the bill. I know many of my colleagues are concerned about the impact it will have on businesses and industries that are directly affected. Leaving aside for the moment the direct health consequences of air toxics on people who live in the vicinity of plants that emit these chemicals into the air, we have had plenty of testimony here on the

floor about those consequences; which go even to death.

Let me come back to the CRS, Congressional Research Service's analysis which is just out today. Its conclusion is:

CRS believes that EPA's analysis significantly overstates the costs of the Senate bill in several respects: in particular, the methods used and the conclusions reached with respect to utilities and residual risks (which account for about half the total costs of both bills) are flawed.

So, CRS finds significant overstatement in EPA's estimate of the costs of these sections of this bill.

CRS's discussion of the EPA's analysis of the section of the bill known as the residual risk section is particularly telling. Here again, I know many of my colleagues who have been contacted by businesses who fear they will be affected by the air toxics section of the bill, are most concerned about the residual risk section. What happens after the businesses achieve or attempt to achieve what is possible under the maximum available control technologies? How do we then measure what they should do about the residual risk?

The bill before the Chamber, Senate bill 1630, gives those businesses at least 15 years to deal with that residual risk. But still there is concern about what the cost of that compliance would be.

Let us go back to CRS. CRS notes that about half of the cost difference between the Senate's title III which guarantees that standards would be truly protective of the public health and environment, and the administration's title III which leaves the decision entirely to EPA's discretion, is accounted for by this one provision.

As just one example of EPA's flawed approach in these estimates, the Congressional Research Service notes that EPA estimated that certain costs which would not be incurred under the Senate bill until the year 2005, 15 years from now, are estimated in the costs for the year 2003. That reason alone, according to the CFR analysis, results in an overstatement of the impact of S. 1630 by \$6 billion in the year 2003.

I am not a statistician. But when we get into the crevices, the interstices of this piece of legislation, and we try to sort out the varying estimates of its cost, which obviously are important to all of us, including those who strongly support the bill, we have to get into the numbers. To me, what CRS has said today about a \$6 billion overstatement in the cost of this section of S. 1630 amounts to a pretty fundamental overstatement that I think goes to the heart of some of the worst fears about the impact of the residual risk section of this bill.

CRS also points out the EPA analysis assumes that plant closure and im-

pacts on employment will result from the Senate bill. But the Congressional Research Service goes on to note EPA's analysis fails to consider that instead of closure of plants, new technology will be placed on these plants, to bring them into compliance with the requirements of S. 1630.

EPA's analysis points out that it is safe to assume that changes in technology will occur during the 15 years that plants have to meet these facilities. That, Mr. President, after all, is our experience here in the Senate, certainly, in regard to laws that force technological improvements in the makeup of automobiles, to make those cars cleaner for our environment.

CRS then says that EPA's analysis then goes on, based on the assumption that the technology will not change and that plant closings will inevitably occur.

That is not just a worst case scenario, it is, based on our experience, based on common sense, based on what I would have to say is an honest and optimistic view of the capacities of American industry, a gross overstatement of the cost.

To CRS, and I believe to anyone who studies this issue, EPA's approach on this critical question of plant closures versus new technology ultimately does not make sense. The history of the Clean Air Act demonstrates that strong and tough standards will result in the development of new technology. I am convinced and confident that American industry will view the requirements of this law as a challenge, not as a stimulus to fold their tents and go off meekly into the sunset; that they will meet this challenge head-on with new technology. The most recent and encouraging example of that is a statement made just 2 nights ago by the chairman of the Du Pont Co. in speaking to a National Wildlife Federation dinner when he said quite clearly that environmentalism is completely compatible with competitiveness. I think we cannot stress that enough. Two of the great challenges that our country faces today is to protect our environment and to protect our economy. There is simply no reason why we cannot have both.

I believe that the EPA cost estimates on the second round of tailpipe standards are equally exaggerated. The evidence before the Environment and Public Works Committee from the California Air Resources Board, which, after all, is the leading expert in this field, a necessity to be experts because of the poor quality of air in some sections of California, established that the cost of the second round of tailpipe standards would be about \$130 to \$132 per car.

EPA's analysis of \$500 per car is based on a fundamentally flawed

theory which is that the catalytic converter will need to be replaced at 50,000 miles. That is a pretty basic assumption. But those who are in the position to know most about the inner workings of our automobiles, and particularly the catalytic converter and emission controls, namely, the people who make these parts, the manufacturers of emission controls and the California Air Board, disagree. They are confident that refinements of current technology and the ingenuity of the auto makers will result in a much cheaper way to comply with the standards, and the history of the last 20 years certainly does support this confidence.

Mr. President, I think all of us understand and, even more perhaps than we understand, the people of this country understand that we cannot continue to go about living the way we are living, doing business the way we have been doing business and still expect our natural environment to remain what we want it to be. We cannot keep doing what we have been doing and expect our children to grow up on a planet that will be healthful and safe for them and their children and the generations to follow.

We know that we have to change our ways. Change is reflexively resistant. It is not our nature. People will naturally go about their business in a way that is more customary to them, that is more convenient to them, that is less expensive to them. But here is where we, acting in this Congress with the power to make law, have to intervene in people's behavior. We have to express their best hopes for themselves.

One of the great roles of the law over all of time, and certainly in this country, has been to express the aspirations that people have for themselves, but in one way or another understand that they will not be able to achieve left to their own instincts. The law comes in and says here is the measurement, here is the standard, here is what we should do. That is what Senate bill 1630 is trying to do. Acknowledging that if we continue to go about our business—acid rain, air toxics, mobile sources—that the air is going to get dirtier and dirtier and our children are going to be sicker and sicker as a result of it.

That change will not come without cost; not just the inconvenience, not just the discomfort of doing things that are not customary; but it will come clearly with additional financial costs. I believe and those of us on the committee who reported out Senate bill 1630 believe very strongly that those costs are worth it. They are worth it actually in direct dollar terms, as the chairman of the subcommittee and manager of this bill, Senator Baucus, said the other day, comparing the estimates of health costs, if

we do not pass the bill, to direct costs if we do pass the bill. We get about \$4 back savings for every dollar we spend.

As we try to make this judgment about whether we are prepared to chance and whether we are prepared to incur some additional costs, I think it is critical that those of us here in this Chamber who have to make these tough decisions on these complicated questions make sure that we have the most solid facts in our possession before we reach a conclusion.

There are a lot of numbers flying around this Chamber about S. 1630, the Clean Air Act. A lot of them, in my opinion, of the direct costs to implement this act, are exaggerated. Today the Congressional Research Service in its report on title III, the air toxics section, makes clear in its own independent way, fact-based way, that it agrees that estimates of EPA, which are quite similar to the estimates of the industries that will be most affected by the air toxics provision, are exaggerated. I commend that report to my colleagues and to their staffs who are in the process of gathering information to reach judgment on this bill. I hope they will read it, and I hope they will decide that Senate bill 1630 is a good bargain financially and worth supporting.

I thank the Chair. Mr. President, I note that there is no one else about to speak, and I suggest the absence of a quorum.

The PRESIDENT OFFICER (Mr. ROBB). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

EXTENSION OF MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that morning business be extended until 3:30 p.m. under the same terms and conditions.

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

Mr. MITCHELL. Mr. President, I ask unanimous consent that I now be permitted to speak for such time as I may require.

The PRESIDING OFFICER. The majority leader is recognized for such time as he may require.

THE STATE OF THE UNION

Mr. MITCHELL. Mr. President, 3 days ago, President Bush sent us his budget. Last evening, he outlined the priorities and choices that helped create that budget.

The President's words invoked the great hopes we all share at the changes our world has seen in the past

half year. That changing world offers new opportunities as it presents new challenges.

The President's renewed and more aggressive proposal for American troop reductions in Europe is welcome. I commend him for that proposal. It is an initiative for which he will have our full support. A mutual reduction of American and Soviet troops in Central and Eastern Europe will be a stabilizing factor at the same time as it begins the process of adjusting our national security budget to the new challenges our national security faces.

For 40 years, our Nation carried the burdens and fulfilled the responsibilities of world leadership.

The patience of the American people was rewarded last fall; the peaceful world for which we have given so much blood and treasure is now within sight of being born.

Nothing more clearly vindicates the traditional Democratic reliance on American ideals as a model and a goal for other societies. The President quoted Harry Truman, who first predicted the ultimate collapse of communism. We Democrats take pride in knowing that Harry Truman has been proven right.

The President said, rightly, that the state of the Union ultimately depends on each individual American. But it also depends on how we work together to accomplish the goals that no individual can reach alone.

A family's well-being means more than the individual well-being of one member; America's well-being depends upon more than the good fortune of some individuals.

The President spoke of stewardship eloquently. We are stewards of the richest, most beautiful, most fertile land in the world. Our natural heritage is the envy of others.

So I applaud, commend, and strongly endorse the President's emphasis on the environment. He spoke of planting a billion trees a year for 10 years. I support that goal; I hope we can do even more.

If it is sustained, in 20 years time those trees will absorb 5 percent of the carbon dioxide that threatens our Earth with dramatic climate change. We cannot move too fast on this important initiative.

A billion trees are an inspiring symbol. The President's agreement to make the Environmental Protection Agency a Cabinet department also symbolizes a profoundly important idea: The Agency should have a voice at the highest levels of government because its work affects our highest priority—the health and well-being of the American people.

That priority should guide all our budget choices. But our priorities have to be backed by more than symbols alone.

A budget is a blueprint for the future. It tells us what and where we, as a nation, are planning to go, and the decisions and choices we will have to make to get there.

Judged by that standard, the President's budget, as opposed to the President's speech, is a disappointment. The speech says one thing. The budget does another. The gap between word and deed widens.

But this budget assumed an excessively optimistic growth rate; the national equivalent of winning a lottery. A family calculates on maintenance needs, gutters to be repaired, oil changes for the car. The budget for our Nation should do the same. But this budget does not maintain our basic investment in the roads already built, the bridges that span our rivers. The President is right when he says the national budget is a lot like the family budget, but he is not right when he suggests that his budget meets that test. It does not.

The future America this budget promises is a nation which does not make the investments it should be making in the skills of its people or the capacity of our economy. I believe we owe more to the American families of today and the families of tomorrow. Our Nation's economic prosperity and well-being ultimately rest on the prosperity and well-being of the American family, the fundamental unit of our society. The foundations on which American families depend for their own well-being are clear and straightforward—jobs, housing, health care, education, all in a safe and clean environment. The agenda of the American Congress should be dictated by the needs of American families. Government must help provide the conditions in which American families can secure their own well-being. By that standard this budget is a disappointment.

The budget increases Head Start funding by \$500 million. That is a long-overdue increase and I welcome it and commend the President for the proposal. But without followthrough, early childhood enrichment is only the down payment on an educated citizen. It is not the full cost. But the total resources for education in the President's budget do not even keep pace with inflation. And the \$500 million added is not a fair offset for the proposed cut of \$460 million in child nutrition. Children must learn, but to learn they use be healthy and well fed. So on the one hand the President proposes to increase Head Start by one-half billion dollars and on the other hand proposes to cut child nutrition programs by almost exactly the same amount.

To grow strong, to learn well, children must be healthy as babies. They need a good start in life. But the WIC nutritional supplement that helps low-income pregnant and nursing mothers

to provide proper food for their babies does not grow at all in the President's budget, not even enough to equal inflation.

The President spoke of his goals for education in the year 2000 and he spoke eloquently. Today's babies will be students of the year 2000, the same students for whom the President outlined education goals last night.

The budget is disappointing as well for the priorities it ignores. The President spoke movingly last night of his 12th grandchild and of the importance for every working parent to have good child care. But his minimal tax credit does nothing to secure quality care, safe care, for the children of working Americans.

The President said he will appoint a commission to study the problem of 37 million Americans without health insurance. But the last thing we need is more studies. The problem has been clear for several years. Already our hospitals face demands on their charity from patients too ill to turn away and too poor to pay. In the meantime, three quarters of the budget's proposed \$5.5 billion Medicare cut will come at the expense of these same hospitals. That is unrealistic and unwise.

The President spoke proudly, and justifiably so, of the return of democracy to Panama, but not one penny of his \$500 million aid program for Panama is reflected in the budget, although it is certain that at least some of those funds will be spent in fiscal year 1991. Where is that money going to come from? Yet this, we are told, is a budget that should be taken seriously.

Like all its recent predecessors, the budget includes something the President did not speak of last night—\$22 billion in higher revenues to the Government, essentially higher taxes and higher costs for Government services. A large chunk of those higher revenues that would help bail out the budget deficit this year is another \$4 billion in Social Security taxes, an additional \$13 billion in higher Social Security taxes over the next 3 years. But in the past decade working Americans have seen their Social Security tax burden rise by 22 percent, more than offsetting the very small decrease in their other Federal taxes. This budget maintains that imbalance. It maintains the same unbalanced reliance on massive Social Security surpluses to meet deficit goals.

The President's budget proposes to take Social Security surpluses out of the budget but not until 1993, safely after the next Presidential election. The surpluses that exist today, this year, and next year, will be used by the President's budget to shrink the deficit, really to mask the true size of the deficit. Throughout the last decade we have constantly been given

budgets that would be in balance 2 or 3 or 4 years in the future. That, too, remains unchanged in this budget.

We have already spent the better part of a decade debating whether we can afford to house our homeless, teach our children, treat our sick, pave our highways. For a decade, we have accepted budget gimmicks and sleight of hand to preserve the fiction that taxes are going down.

But we are in a changed world, in a new decade. Our economy needs more than the recycled words of the past with which to meet the challenges of the future. Our people need more than goals and hopes, important as those are. They want to invest in their future and their children's future. That is one of the challenges our Nation must begin to meet in this decade. Sadly, the President's budget does not show us how.

Mr. President, I yield the floor and if no other Senator is seeking recognition, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ADAMS). The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

THE PRESIDENT'S STATE OF THE UNION ADDRESS

Mr. SIMPSON. Mr. President, during this slight delay in the proceedings, as we go on with the Clean Air Act, a critical item of the Nation's business, I thought I would just take literally a few minutes to speak about the President's address last night. I have heard others speak on that, and I think we agree that the President indeed spoke eloquently on the important issues that confront this country. If they happen to be the issues that the President gets high marks on in the polls, it is only because that is what the American people are concerned about—education, environment, drugs, peace.

The President addressed those things in the way this President addresses everything in his life, in a most exceedingly thoughtful way. It was a very thoughtful address. I see some have indicated that they thought it was rhetoric or symbolism. Sometimes I think—what is wrong with symbolism? Rhetoric is something that is an art form in this Chamber, so we need not have any further review of that.

It has been a most curious thing to listen to the responses to the State of the Union Address. I thought Speaker FOLEY was very effective in his usual and steady way, when he addressed it.

So was the majority leader, Senator MITCHELL.

The American people know that we have a lot of work to do. They do not need to hear too much more of that from anybody. The game of one-upmanship is not being accepted by the American people, but it happens every time we address an important piece of legislation. But, they are not buying that.

In education, they have been through the Roto-Rooter of "give us more resources and we will give you good, intelligent, articulate, literate people." Merely throwing money at the problem has not been successful. We owe the American people more than throwing money at national problems. And as the President said so beautifully last night, "We were not sent here to bicker, but to govern."

It will be very interesting to see, in these next months, what sorts of responses are made to the President's proposals. If it is simply going to be "It's not a bad plan, but it needs more money"—we have already been there. Every one of us voted on a debt limit extension of \$3 trillion, one hundred twenty-two billion bucks. When somebody says that your country is not responding, well, chuckle them right off.

This year's budget is big, and both parties will play the most extraordinary game of hide the bucks, and the American people know that. They are not dull witted. We should never believe for a moment that Americans out there, the great unwashed do not know what is going on. They understand what is going on perfectly well. They understand partisanship, and they are saying, "Why do you not tone that down and get the business done, you bums." That is what they are saying.

I think all incumbents, including your loyal correspondent who is up for reelection, are in peril. The American people are saying to us, "Why do you not do something instead of just giving us this stuff?"

So it is not going to do any good to talk about the frustration that I know the majority party in this Congress must feel, as George Bush speaks of the issues dearest to their hearts in a way that the people can hear. That must be very frustrating to them. I understand that. But it is not becoming, simply out of frustration to just meet in cloistered places and say, "What are we going to do with this guy, George Bush? He has an 80-percent rating of approval, and he has taken every single issue near to our hearts, and he is trashing us with it, and he is getting the credit." That may be. He has his advisers too. But the American people do not care who gets the credit. They just want to see the job done.

So last night we heard some dramatic things, such as a proposal to reduce our forces in Europe. All Americans

should have jumped up and clicked their feet. But, no, we have to be very cautious here, and those are the same people who tried to cut the forces before.

Years ago, it was my job in a mortar platoon to protect some kind of a weapon they had aimed into East Germany. I never figured out quite what it was. The local citizens that had relatives in the area where it was aimed were very concerned about it, and I do so understand that. That was during the conflict at the end of the war. I was not in combat, but I was there at the tail end of the army of occupation. This is a great move.

It must be frustrating to see this President present things like more spending on Head Start and new money on Even Start and new money on a Clean Air Act and to see that the policies he has advocated have brought greater peace in the world. But what is wrong with that? What is wrong with those things?

My friend Secretary Jim Baker this morning at the National Prayer Breakfast—and I hope all of you will get a copy of that most impressive, moving and remarkable message—talked about faith and friendship. There is nothing wrong with that. The President, last night, was talking about family and faith, and these are the things in our lives that bind us together, giving a helping hand, volunteerism. Those things are not corny. That may seem corny to some people out here, but it is not corny to the people of America. It is not at all corny.

So here we go, and I know the frustration level is high, and I can spot this. You almost get a sense of these staff members—not here on the Senate floor—but in the policy committees, in the Democratic councils—why they almost make a noise like a burned bushing on an engine. "What are we going to do with him?" Instead of letting the engine burn out, let us try to direct the engines into how do we get important legislation passed? There are some ways to do that.

If we really are talking about education, then why does not the House Education Committee have a hearing on George Bush's education bill? I know that is a terribly silly thing to bring up; nevertheless, the Senate will consider Senator KASSEBAUM's bill—that is the President's bill. Let us have a hearing on it in the House. If you do not like it, trash it. If you do not like it, put a substitute in, but let us have a hearing on education issues.

Let us make teachers more accountable rather than constantly talking about additional resources. We have all been there. "If we only had more money, we can teach these fine young people." Well, we have given them everything but the kitchen sink, and we get nothing back, and we will not get

much back until we have accountability from teachers and administrators and we should get rid of tenure, which is a haven for the mediocre in the world. Let us start a constructive debate on education. We can do that.

The drug wars. I hope we do not go through the exercise again as to who wants to spend more money to get the druggies—the Republicans or the Democrats. That is such a useless exercise. Nobody even cares what is in the bill. It is just not enough money. We have been there on that one, too. We have all been there.

Capital gains—the fat cat versus the poor. Sixty-four Democrats at the other end of this building voted for that despite alarms that this bill trampled on the ancient Democratic constituency.

I would think those Democrats would be getting very tired of being dinged on by their leaders and others, when those 64 Democrats voted with the President on the capital gains issue and we know there are 12 to 15 in this body who are of the Democratic faith who will vote favorably on that issue. That is not a partisan or a class issue.

I think that it is time to deal with child care. We did a bill here. I did not support the final product, but we did our work, and that is what we are supposed to do.

In the House, if they are talking about child care, then tell them not to report two bills at once out of committee. That is an irresponsible act of a legislature. Forget Democrats or Republicans. It is. Do a child care bill in each body and let us go to conference committee and get one passed. We all know we want to do it. We can solve the differences, whether it is parental choice or standards or whatever.

Do a clean air bill. That is certainly not a partisan issue. You ought to see the rich discussions that go on in our party.

Let us do a drug bill. Let us do these things that we know we have to do. Let us do it. Let us deal. Republicans aren't blameless. Some Republicans butchered up the HUD programs during the last administration. I was a little appalled by that one Republican Party chairman who said, "I thought that was what it meant when you had your party in power, that it was a vehicle to get in there with both hands and rip around in it." That is not my idea of politics. I was offended by that Republican chairman. I cannot remember where it was. That was the statement. He thought his job was to elect his party and then get his paws on all the jack that came by the window. That is not my idea of politics nor is it the American people's idea.

There are 535 of us here in this place and maybe 20 of our Members are in various stages of extremity and

alleged to have violated various ethical rules. That is very unfortunate and it is very difficult because we deal with them daily and we care about them. They are still allegations. That is the terrible part about it. None of these things have been proved, and yet those people have to deal with us and deal with their constituents on the basis that they are tarred and feathered before they ever get an opportunity. That leaves a tinge on us all.

But meanwhile, while there are 535 of us and 20 in these troublesome straits in their own lives. The rest of us are doing our business and they are, too. They are here. Others have been tried and convicted and gone to jail and that is what can happen in the process. But we do not need to have that happen, to come to premature conclusions while nothing formal has been brought against them.

I just hope that we will all pay attention here on the issues of whatever it is that confronts us and not just try for top dog, underdog, or one-upmanship or to just get back in the back room and say, "Lord's sake, Bush has done it again. He has taken one of our issues and now they think it is his." The American people will decide that.

Last night I think I saw a President with a reservoir of good will, a very deep reservoir.

We all must start to take things seriously with this budget. When people hammer us flat on issues of Social Security, Medicare, Medicaid, and push and push and push us, just turn to them and say, "You know, we have work to do here and your grandchildren are going to pay the dearest price unless we do what we are supposed to do."

I just caution once again about frustration, simple frustration, with a very popular President. He is going to make some doozies of mistakes because he is just as human as you or I. When that time comes he will nevertheless have a reservoir of good will.

He has said that he wanted to reach out, and I think our majority leader tried to do that. However, there was a breakdown in that. The Chinese student issue was contentious. I hope we do not have to go through that kind of partisan exercise again.

I honestly believe that needn't have happened. The President shared this thought with us one morning. I think his question had an affirmative answer. He said, "What if I had gathered together all of the leaders of the Democratic Party"—and remember, he did not gather the Republican leaders together, either. "What if I had said 'What do you think of a secret mission to China which I think could have the result of lifting of martial law, the release of 561 people into an amnesty who were taken in as dissidents, reestablishment of the Peace Corps presence in China, opening that channel

of communication, and also opening again the Fulbright scholarship channels and other cultural exchange avenues? Is this worth the risk?" I do not know but I think the answer might have been, "Yes, go ahead and try that." Of course he did and those things happened.

So it is not the substance of the Scowcroft toast or anything like that that matters. The matter is clear. Nothing is to happen to the Chinese students. It will be a case-by-case decision. It will be something done with complete compassion. No one will be returned unless it is safe. And yet we went through a brutal exercise and it became partisan. Everybody said, "where did it turn partisan?" I said, "I do not know." But when issues arise in which you never get a single vote on the other side of the aisle, you have to figure in a twisted way that that is partisan.

I have legislated for 25 years and when you cannot get a single vote on the other side of the aisle in either body, it is kind of silly to think it might not have a shred of partisanship to it. We need to do that sometimes. Well I guess we do. That is a legislature working or not working.

I am just saying I hope that the frustration with George Bush and his positions, and what he represents to the American people will not wash over into a continual exercise of one-upmanship or "when he did get religion" or "I wonder when he sobered up on that one," or "that was our idea" and "we thought of it first." That is not helpful. If that is the way it will be—then that will be—and we will do what we usually do, which is kind of wrestle around, do a little mud wrestling, come up and whack each other on the back in camaraderie, and move on.

The people are watching this trip and it is a big agenda, and he has set it out. I think it behooves us to address this agenda in the most responsible way as we operate in this very partisan environment which is what this remarkable Government is about.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. FOWLER. Mr. President, I ask unanimous consent to speak as if in morning business for 5 minutes.

The PRESIDING OFFICER. The order already provides for morning business, and the Senator is recognized for 5 minutes.

PRESIDENTIAL LEADERSHIP

Mr. FOWLER. I thank the President.

With knees slightly shaking at the thought of either mud wrestling or dry wrestling with my great friend from Wyoming, who has far more holds legislative and athletic than I

could master, I do want to say in the spirit of his remarks that all Americans and all American Members of Congress want their President to succeed.

Our country simply cannot succeed whether it be on the internal affairs of our Nation, the security of our people in their homes, the education and prosperity of our people or our leadership as expected of us in the world if we do not have a President who leads and who leads with foresight, integrity, and has the support and wellwishes of the people of our country. And we have that from George Bush.

I think I can say that with almost absolute authority from this side of the aisle. We worked with him, served with him in the Congress, and we wish him well. Differences with President George Bush, I say with great respect, should not to date be construed in partisan terms. There may come a time, as my friend from Wyoming observed, but to date that should not be the case.

I agree with the distinguished deputy minority leader that at this level, in the interest of the people of our country, there ought not to be Democratic solutions or Republican solutions but the best solutions to the problems that face our country.

But we have to respond to the words of our President and the observations of our President and the proposals of our President. Last night the President of the United States said, "The deficit is under control."

The President of the United States told the American people, "Our Nation's budget will be balanced in 3 years."

President Bush did not submit a balanced budget to the U.S. Congress. President Reagan, with all due respect, for 8 years never submitted a balanced budget to the U.S. Congress. And what we have been about, whether we are Democrat or Republican, a Senator or a Member of the House of Representatives, is to try to debate the priorities of the American people, to do for Americans what we need to do to ensure our progress in the economy, our progress as leaders, and fulfill our hopes and aspirations for both the children, of which Senator SIMPSON talked, or our guarantees for the elderly in our country.

But there are some proposals in the budget of the United States and reiterated by the President last night that are simply not accurate and are not credible. The deficit is not under control.

For many years, this Senator and many of us, both Democrats and Republicans, have proposed a law that required every President of the United States to submit a balanced budget in January, and then required of every U.S. Congress in December, at the end

of the year, to adopt a balanced budget.

Under the U.S. Constitution, it is only Members of Congress who are responsible constitutionally for setting those priorities and making changes in any President's budget to more nearly reflect the wishes and the aspirations of the American people. That is our constitutional job.

That is not partisan. That is our constitutional job, to debate how much money should be spent in education, what the threat assessment is, whether or not we can afford to move some money out of defense systems if we have a lessened threat, where we need to put money for research and development or Head Start.

When we make these observations, when we debate, that is not partisanship. That is our constitutional mandate. I humbly submit. Although I do believe that at the end of that process we ought to adopt a balanced budget and we ought to require a President to submit a balanced budget, which has not been done by this President and has not been done by his predecessors.

One final observation. The only frustration that this Senator feels, to use the word of my friend, is not any popularity of our President. I hope our President, faced with such enormous popularity, will use some of that political capital for genuine leadership to honestly get our deficit under control and not rely on any budgetary accounting methods to make something seem under control that is not under control. I hope our President will use that extraordinary popular acclaim that he now has to help our country achieve a balanced budget and not continue to run up this massive debt that we have seen.

When the administrations recommends we put \$150 billion of the S&L bailout off budget, that is not counted in this document that was sent over yesterday. But I guarantee you all \$150 billion goes to and is counted in the indebtedness of the United States of America that we now owe, and that my children and my grandchildren are going to have to pay regardless of whether they are Democrats or Republicans, or whether they come from the West or come from the South.

What would relieve more frustration than anything else is if we could all deal from the same deck, develop a spine, stand up to the American people and say, "All of us have spent more than we have taken in." All of us continue to borrow and try to hide it. And we will not bring our country back to fiscal integrity, bedrock economic strength, unless we put aside our games, admit that the deficit is not under control, admit that there are problems that we can solve if we work together, and join in the leadership of the Republicans and the Democratic Party together working

with President Bush to see with clear eyes and try to work together in a new vision of clarity that will spell some progress to the American people, which will indicate, if we get together, that we will lead them.

I thank the President and my colleagues for their indulgence.

Mr. SIMPSON. Mr. President, I know the Senator from Wisconsin has been waiting.

Mr. President, I ask unanimous consent to speak in morning business for not more than 4 minutes, and then I will immediately yield to the Senator from Wisconsin.

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

Mr. SIMPSON. I thank Senator KASTEN very much. He has been very patient, and I thank him personally for that.

I could not agree more with so much of what my friend, Senator WYCHE FOWLER, is saying and I want to commend him. I noted in one of the recent national publications that he was described as a "rising star." That was funny to me because I thought he was already there, since I have been watching him and observing him. He is a very able legislator and he is a very sincere and articulate person. I have found that to be true, and he is a friend.

So I commend him on that. That is a nice honor.

I guess we all know what budget gimmickry is because we are all so good at it. Both sides of the aisle are magnificent at it. We continue to butcher Gramm-Rudman-Hollings in the most extraordinary ways, setting the payroll of the Defense Department aside for 12 hours so that it kicks in at some other time. We are all skilled beyond comprehension at that type of gimmickry.

I have supported the balanced budget amendment since I got here, but it does not go anywhere. We get the majority of votes, but you need to have the constitutional spread on that. When we talk about "off budget" and the savings and loan crisis, I am sure there are a lot of people on both sides of the aisle that are also going to vote to put Social Security off budget. We are going to put the Post Office off budget. We have already put the Federal Financing Bank off budget and moved it back.

What is the purpose of all that? The purpose is to hide bucks or get more. So I want to see what we are all going to do with that. I do not want to vote to put anything more off budget. I have gotten my somewhat sense of religion on that!

We are going to have to go do a farm credit program bailout of about \$60 to \$100 billion because we toddied up the bucks and did loans and guarantees and all sorts of things that do not even appear. We have unfunded pension li-

ability with all of our Federal employees of \$418 billion, and that does not appear anywhere. Social Security is a mess and we will not touch it with a stick.

And in the year 2030, that grandchild of mine and of Senator WYCHE FOWLER's will be picking grit with the chickens because we do not have the guts to do a single thing about it now.

So we ought to quit talking about all of this stuff and just do something. And remember, now—and do not throw a tomato from anywhere—the President of the United States never cast a single vote on the budget, not one. Neither did Carter; neither did Kennedy; neither did Reagan. The budgeteering is done, ladies and gentlemen, by us.

Just because the President presents a budget does not add one whit to the national debt or the deficit. We do the dirty work. We do it. The President gets not a single vote.

I think that is what we have to keep in mind as we try to go forward with what I agree is a mission, one just as visionary as that of the one of my friend the Senator from Georgia. I am ready to try to help in any way I can and I pledge to try to do that.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. KASTEN. I thank the Chair.

(The remarks of Mr. KASTEN pertaining to the introduction of S. 2052 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

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

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

The Senator from Connecticut is recognized.

Mr. DODD. I thank the Chair.

(The remarks of Mr. DODD pertaining to the introduction of S. 2054 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

IN SUPPORT OF THE ARMY'S LIGHT FORCES INITIATIVE

Mr. THURMOND. Mr. President, many highly significant events have taken place during the recess between the 1st and 2d sessions of the 101st Congress.

In the military arena, President George Bush ordered United States troops into Panama, a move which I fully support. This operation was executed in a professional manner and all

the forces involved are to be commended.

In Eastern Europe, we continue to see an evolution, and in some cases, revolutions, as the people of these countries repudiate Communist regimes which have ruled since World War II, almost solely on the strength of military force.

All of these events, and the appropriate U.S. response, must be analyzed as we move into a new decade in our ever changing world. In particular, I would like to commend the U.S. Army for steps already taken toward meeting future contingencies. This is evidenced by the Army's light force modernization plan, which is to be completed in early 1991.

While there has always been, and remains still today, a basis in the Army toward heavy forces, such as those positioned in Europe, we now see real interest in a more balanced force structure. The Army must be able to function effectively in a low as well as high-intensity conflict. Army Chief of Staff Carl Vuono has shown interest in this balance in the past, and now we are seeing leadership come from Gen. John Foss, commander of the Army's Training and Doctrine Command.

As a long time ranking member of the Senate Armed Services Committee, I have witnessed doctrine studies in the past, most of which came to nothing because they were drawn out and eventually embroiled in Army procedures and turf battles to protect the current force structure.

Mr. President, that is why I found of special interest the Army's initiative to test the Marine Corps light armored vehicle [LAV]. This step was most impressive in that the Army borrowed 16 LAV's from the Marine Corps rather than work through a lengthy paper drill or study. This type of action accelerates analysis of light forces equipment which may or may not meet the Army's needs.

The Army has also expressed in the past an interest in a light tank. However, for reasons unclear to me, such interest in the past has been short circuited rather than quickly pursued to a test phase. It now appears however, the Army is moving toward a prompt evaluation of candidates from combat vehicle producers.

Either or both of these programs, the light armored vehicle [LAV] and the armored gun system [AGS], may fit into the Army's future as it expands its light forces structure. The LAV is off the shelf and a number of companies have prototypes or candidates for the AGS requirement. It would behoove the Army to move rapidly on these investigations and cut through the redtape as they have done with the LAV test.

Mr. President, a number of articles on this subject have appeared in the press in recent weeks. The Army is to

be commended for getting serious about light forces, and I believe the Congress will find these developments of interest.

Mr. President, I ask unanimous consent that the following articles be printed in the RECORD at the conclusion of my remarks: "Arm's New Warfighting Doctrine Calls for More Agile, Independent Brigades in Future," January 8, 1990, Defense News; "Army Proposal Outlines More Mobile, Flexible Force," December 11, 1989, Defense News; "Marine Corps Delivers LAVs to Army in Exchange for 11 Rocket Launchers," January 1990, Defense News.

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

[From Defense News, Jan. 8, 1990]

ARMY'S NEW WARFIGHTING DOCTRINE CALLS FOR MORE AGILE, INDEPENDENT BRIGADES IN FUTURE

(By Caleb Baker)

WASHINGTON.—The quickening pace and increased violence of future battles will demand that the U.S. Army's heavy armored forces become more agile and able to operate free of traditional resupply routes, Army documents show.

Command of the Army's future maneuver forces must be streamlined to allow these forces to fight a lighter and quicker opponent. Smaller units must be able to win sustained battles without relying on the division for leadership or weaponry.

This is the consensus of top Army planners who are reviewing options to redesign the force as they put the finishing touches on the service's next comprehensive warfighting doctrine, Air Land Battle-Future. A 15-page summary of a Dec. 4 meeting of these planners was obtained by Defense News.

The brief report contains the guidance of Gen. John Foss, commander of the Army's Training and Doctrine Command, Fort Monroe, Va., who is leading the restructuring of the Army's force structure for the mid-1990s and beyond, officials say.

Most traditional functions of the division commander other than certain command missions will be transferred to a lower echelon such as the brigade or higher to the corps, the documents state. This would make the brigade more capable of independent operations and lighten the burden on the division. There are normally three combat brigades in a division—the Army's principal fighting units.

The Army's effort is the first indication that the service is looking to lighten its heavy forces, including those deployed to Central Europe, in view of the changing Soviet threat. The service is in the midst of a shift that would place emphasis on quick-strike forces based in the United States rather than forward-deployed troops.

For example, Foss has recommended taking mortars and possibly some tank-killing combat vehicles out of the heavy infantry, according to the summary of the Dec. 4 meeting. Foss has commanded the Army's Infantry Center, Fort Benning, Ga., and the 82nd Airborne Division, based at Fort Bragg, NC.

However, some officials caution that the Army is not willing to eliminate its heavy forces in favor of maintaining rapid deployment troops. Gen. Carl Vuono, Army chief

of staff, has warned in recent months that changes in the Soviet Union will result in an improved Red Army.

In a draft white paper released last October, Vuono stated that defense against Soviet and Soviet-supported military action in Europe and Asia "will remain the most demanding challenges for the United States and its allies." The paper outlines the Army's roles and missions in the 1990s.

Top Army planners this week are expected to meet at Fort Leavenworth, Kan., to further evaluate the force structure required for Air Land Battle-Future.

"There is universal agreement that we need some heavy divisions: the disagreement is over how many we need. There is universal agreement that we need to lighten the force. The question is how far?" one Army planner says.

"Our warfighting doctrine will not change, but how we execute it will as the nature of the threat changes. We will see a more traditional force based on lighter and low-intensity conflicts, not tactical divisions slugging it out on the plains of Central Europe."

Air Land Battle-Future outlines a plan to fight wars in ever-larger spaces at an ever-quickening pace, but by fewer troops equipped with increasingly sophisticated weapons. A draft copy of the doctrine, in the final stages of completion, was made available to Defense News early last year.

In general, the new doctrine envisions a fast-moving war fought over large spaces and much greater depth than today's battlefield. Smaller units armed with high-tech weapons will fight in battles characterized by a stunning level of violence. Large-scale engagements will last only hours, and perhaps minutes.

The new field manual also will add endurance to a list of four basic tenets that make for success in battle—initiative, agility, depth and synchronization. Endurance means U.S. forces must be able to sustain a battle against numerically superior forces. A new emphasis will be placed on logistics and weapons that do not require frequent refueling or rearming.

[From Defense News, Dec. 11, 1989]

ARMY PROPOSAL OUTLINES MORE MOBILE, FLEXIBLE FORCE

(By Caleb Baker)

WASHINGTON.—The U.S. Army is crafting a modernization blueprint for its light infantry and special operations units in an attempt to improve the service's mobility without compromising its firepower, Army officials say.

In a Light Force Modernization Plan, Army officials are preparing chapters that will examine ways to equip the service's rapid deployment troops with lighter tanks, antiaircraft weapons, helicopters and artillery systems. These annexes will be compiled into an overall modernization plan to be completed before January 1991.

The Army leadership in the last six months has established a light force modernization task force that is trying to define existing and future weapon systems that can be used by light forces, says Army spokesman Barry Bomier.

One report prepared for the task force, titled "Air Defense Modernization for Light and Special Divisions," was obtained by Defense News.

It was completed by air defense officials at the Air Defense Artillery Center, Fort Bliss, Texas. However, Bomier cautions that the

plan is in the "embryonic stages of development."

Officials say the plan reflects an accelerated effort by Army leaders to restructure the service in anticipation of budget reductions and a future Conventional Forces in Europe (CFE) arms control agreement. Such an agreement will call for the withdrawal of a substantial number of troops from Central Europe, officials say.

"It's a cultural change," one top Army official says. Sources say the Army is in the midst of a revitalization of the light force first started in the late 1970s by Gen. Edward Meyer, then Army Chief of Staff. Meyer is credited with forming the Army light infantry division.

In response to the swift pace of CFE talks ongoing in Vienna, Austria, and budget cuts, the Army is proposing to pull approximately 40,000 troops and 600 tanks out of Central Europe by 1994. This is half of its armor and mechanized divisions now stationed in the Federal Republic of Germany.

Defense Secretary Dick Cheney last month directed the services to find ways to trim their budgets in an effort to cut \$180 billion from the Pentagon's budget from 1992 to 1994. The Army's share is estimated to be \$50 billion.

The combined effect of both factors will result in a fundamental shift in the Army's weapon deployment strategy, officials say. Modern warfighting equipment that was once first sent to forward-deployed troops will now first be fielded with contingency forces based in the United States such as the 82nd Airborne and 7th light infantry at Fort Ord, Calif.

In internal efforts to cut its annual budget, the Army has vowed to protect its light and special divisions as well as some weapon programs geared toward these forces, such as the Light Helicopter Experimental.

The Light Force Modernization Plan represents a firm belief in the Army leadership that the service can play a role in a future high-intensity or low-intensity conflict despite the withdrawal of a large number of troops, officials say. Officials say the service views itself in competition with the Marine Corps for quick response missions.

For example, the Army is eyeing the Marine Corps Light Armored Vehicle equipped with a 25mm cannon in a program that may spark the development of a new light tank, officials say. The 82nd Airborne division would deploy today with Vietnam-era M551 Sheridan tanks.

Army Secretary Michael Stone said in an Oct. 11 interview with Defense News that the service has started to look at ways to increase the mobility of its forces. He said the service was evaluating the McDonnell Douglas lightweight MD-500 as an additional helicopter for light and special forces.

In air defense, the Army will rely on the fiber-optic guided missile, the Avenger Pedestal Mounted Stinger weapon system, and the Stinger as a shoulder-fired missile to support its light and special units, according to service documents.

The air defense study is an adjunct to the Air Defense Modernization Plan, which outlines plans to upgrade the service's arsenal of antiaircraft weapons, according to Col. Zigmund Robuck, head of air defense in the Army's force development branch.

In a low-intensity conflict, the Army will be expected to gain complete control of the air with limited assets, according to the study. These forces will not have the close air support and jamming capability typically involved in a conventional war.

For this reason, air defense weapons fielded to light forces must be light enough to be transported and either set to deploy or already deployed within 24 hours, officials say.

"If in CFE negotiations there are proposals to limit air defense near the [forward line of troops] on both sides, there will be a greater burden on the light force," one industry official says. "The Army is responding to the reality of changing political times."

The fiber-optic guided missile, or Non-Line-of-Sight missile, and the Avenger are in the original air defense modernization blueprint. However, the Air Defense Anti-tank System, the service's frontline weapon, will not be deployed with light forces.

Instead, the Army has proposed the development of the Avenger for the Line-of-Sight-Forward-Light mission in low-intensity conflicts, sources say. The weapon will fire both Stinger and complementary missiles. The Army plans to conduct a competition for an off-the-shelf missile to complement the most modern version of the Stinger.

The Army also has proposed purchasing 60 Marine Corps Tactical Defense Alerting Radars (TDAR) as an interim ground-based sensor, the documents show. It would replace the venerable Forward Area Alerting Radar currently deployed to air defense units.

It would cost the Army an estimated \$16.5 million to purchase 60 tactical radars at \$250,000 each, with spares and associated equipment, according to the study. However, the cost of operating the existing radar is \$540,000, while the operation and support cost of the new radar would be \$25,000.

[From Defense News, January 1990]
MARINE CORPS DELIVERS LAVs TO ARMY IN
EXCHANGE FOR 11 ROCKET LAUNCHERS
(By Caleb Baker)

WASHINGTON.—The U.S. Marine Corps and Army this month are expected to sign two separate agreements that would allow the Marines to lend the Army 16 light armored vehicles in return for 11 battlefield rocket launchers, defense officials say.

In an unusual trade, top Army and Marine Corps officials are polishing two memorandums of understanding that will govern the independent lease agreements, officials say. In addition to the 11 Multiple Launch Rocket Systems (MLRS), the Marines will receive 50 BV206 small support vehicles.

The Marines early this month, delivered the 16 Light Armored Vehicles (LAVs) equipped with 25mm cannons to the Army's primary rapid deployment force—the 82nd Airborne Division at Fort Bragg, N.C.

Service officials contend that the timing of the agreements is coincidental, and that they are not reciprocal. "They are two separate actions, but everybody is aware of the simultaneous conversations," says Army spokeswoman Paige Eversole. "It's pretty much business as usual."

However, other officials involved with the agreements concede that the Marines demanded something in return for loaning the Army the LAVs, which cost an estimated \$1 million apiece.

"Ten years ago, the Army opted not to participate in the LAV program. Now they want it," one official says. "What's in it for us? We can use MLRS, and we can't get it budgeted."

The Marine Corps currently plans to procure up to 100 MLRS launchers beginning in 1995, but will continue to seek the weap-

ons in the early 1990s, Marine officials say. A Marine fact sheet states that MLRS "is key to implementing . . . the objective to provide the increased mobility and firepower necessary for maneuver warfare."

The Marine Corps currently operates more than 800 LAVs, all built by London, Ontario-based General Motors of Canada. It weighs less than 15 tons and travels on land at speeds up to 62 miles per hour. In the water, it can travel 6.5 miles per hour.

The Army requested the LAVs after Maj. Gen. James Johnson, commander of the 82nd Airborne, expressed an urgent need for the vehicle "to meet pressing contingency requirements," according to a Dec. 15 Army information paper on the pending agreement.

Military officials say an Army willingness to evaluate the LAV reflects a shift in emphasis from the service's forward-deployed forces in Central Europe to contingency troops based in the United States. A forecast for reduced defense spending and a diminished Soviet threat are driving the effort to strengthen quick strike forces.

In the Dec. 20 U.S. invasion into Panama, an estimated five LAVs were taken to operate with Task Force Bayonet, a group comprised of an Army mechanized infantry battalion and Marine Corps LAV platoon that seized the Commandancia, the former headquarters of ousted Panamanian leader Manuel Noriega's defense forces.

One top Army official told Defense News last week that the LAVs were producing excellent results in Panama. The LAVs' performance in Panama convinced the Army "that we really ought to look at the [LAV]," the official said.

The 16 LAVs will be deployed to one of the 82nd Airborne's scout platoons for two years, and will conduct reconnaissance missions now performed by High Mobility Multipurpose Wheeled Vehicles—light trucks, officials say.

While the Army has not requested funding for LAVs, the service will conduct tests early this year at the Armor Center, Fort Knox, Ky., to determine its value. The Army may opt to purchase additional LAVs following the tests, according to the information paper.

The plan has led to speculation that the LAV will replace the airborne division's Vietnam-era M551 Sheridan light battle tank in the future. But one Army source cautions that it does not have the firepower or armor protection required for a tank battle, even if it is against light tanks or other armored vehicles.

Nevertheless, one Pentagon official said there may be a future requirement for as many as 400 LAVs, because M1 Abrams main battle tanks are too heavy to be deployed to engage in small-scale combat. "There is no threat to fight with M1s," the source says. "To do so would be showmanship and overkill."

SUPPORTING THE PRESIDENT'S ACTION IN PANAMA AND RECOGNIZING THE SACRIFICES OF OUR NATION'S SERVICEMEN AND SERVICEWOMEN

Mr. THURMOND. Mr. President, I rise today to recognize the valor and sacrifices made by the soldiers, airmen, and sailors who participated in Operation Just Cause.

Mr. President, by all accounts our Nation's military leaders did a superb job in planning and executing this operation. It was a massive undertaking which involved all aspects of our military establishment.

Not only was Operation Just Cause a demonstration of our Nation's commitment to democracy, but it also demonstrated a capability that I expect will be the blueprint for our Armed Forces into the 21st century. A military force that is light, swift-striking, and extremely mobile.

Enough has been said by the press and politicians about the purpose and result of this operation which restored democracy to Panama after 21 years of dictatorship. However, in my judgment, not enough attention has been focused on the brave men and women who so gallantly and willingly carried out their mission.

In the final analysis, the key to the successful outcome of Operation Just Cause was the U.S. soldier, whether male or female. Our soldiers demonstrated that they were exceptionally well trained, motivated, and dedicated. They performed their duties with bravery and skill, and were willing to make the ultimate sacrifice at the behest of their country.

Mr. President, 23 young men—some of them just old enough to vote—gave their lives in the service of a grateful Nation. Three of these men were from my State: WO Wilson B. Owens from North Myrtle Beach; Pvt. Philip F. Lear from Westminster; and Cpl. Garrett Isaak from Greenville.

Each of these men, as well as all the others, knew the danger that they faced, and yet they did not hesitate to do their duty. Corporal Garrett Isaak speaks to this dedication to duty in a letter he wrote to his family before his death. His family has consented to share the letter and I will ask that it be included in the RECORD.

Mr. President, I want to express my thanks to Corporal Isaak's family for sharing this very personal letter. My gratitude and deepfelt sympathy, as well as that of our entire Nation, go out to this family and all the families of the soldiers killed and wounded in Operation Just Cause.

General Patton is quoted as saying: "It is foolish and wrong to mourn the men who died. Rather we should thank God that such men lived." Mr. President, General Patton expressed my thoughts, and I believe the thoughts of my colleagues in the Senate, when he said those words.

Mr. President, our Nation is thankful that we have men and women who are willing to serve so bravely and with devotion to duty in the Armed Forces. As we begin this second session, let us be ever mindful of these men and women in uniform. Regardless of our political inclination, we owe these brave men and women our full

support. They have the will and dedication to carry out an assigned mission; without question, we must provide the means.

I ask unanimous consent that the letter referred to earlier be printed in the RECORD.

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

LETTER WRITTEN BY CPL. GARRETT ISAAK TO HIS PARENTS, DR. AND MRS. ALBERT ISAAC, THE DAY BEFORE HIS DEATH IN PANAMA WHILE PARTICIPATING IN "OPERATION JUST CAUSE"

DECEMBER 19.

MOM AND DAD: If you receive this letter, you'll know that I died in combat protecting our country and the freedoms we hold so dear. Although we never did see eye to eye on most things, especially spiritually, I want you to know that I do believe Jesus is my Saviour, and I will be in Heaven to meet you.

I don't blame you in the least for anything I might have done wrong in my life. No one could have asked for better parents and examples to follow. I only wish I would have told you this more often and said I love you more often. So I'll say it now. I love you both very much and Sharlene and Lori too. You all made a very positive influence in my life, even though I might not have let you know. I love you all.

GARY.

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

The PRESIDING OFFICER (Mr. CONRAD). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

STATE OF THE UNION

Mr. KERREY. Mr. President, I have heard a number of people come to the floor today to speak of the President's description last evening of the state of the Union, this country of ours, have heard in particular the statements made about the need to cooperate. In fact, I applaud the President's willingness to work with Congress and I applaud the willingness of Democrats and Republicans in this Congress to work together. It seems to me, when we have important differences of opinion, particularly when they are strongly felt, it is important for us to identify those things we believe in strongly and to stand up for them.

I applaud the President's efforts in arms control, and I am enthusiastic about a recommendation to go further, the conventional force Europe negotiations, to a troop strength of around 200,000, as suggested several weeks ago in fact by the chairman of Armed Services, the Democratic Senator from Georgia [Mr. NUNN]. This proposal was put out several weeks ago and it is a worthy one.

All of us who have traveled to Eastern and Western Europe in the past 60 to 90 days have a growing sense that the changes in Europe are permanent and they afford us important opportunities.

I applaud as well the President's setting before the people of this country specific educational objectives. They will be difficult for us to accomplish. To say that the United States of America will be first among 17 industrial nations by the year 2000 will not be easy for us to do, for currently of our 17-year-olds 4 percent of them do multistep mathematics. We are 17 of 17 industrial nations and we have 9 years to go to hit the President's objectives.

If 90 percent of our students are to graduate from high school, we have a long way to go, and we have to come to the task not only committed to work together and to cooperate but to come with an urgency of action that says we have to act now, we have to move. We have to put in front of us the goals the President laid down last night and work hard to achieve them. I believe it will take structural changes in our schools as has been said by many people on the opposite side of the aisle, but I believe in the end as well it will take more money.

Today a teacher who teaches mathematics that might receive \$25,000 to \$30,000 a year is required to teach five 50-minute periods a day and is under increasing pressure to accomplish the job not only from the school but increased attraction from other job opportunities. To put it simply, Mr. President, we are going to have to compete to hold the best of our teachers, and we are going to have to pay them well. Otherwise, they will do other things in our growing economy.

I applaud the President's starting of the State of the Union Address with a call to enact child care this year. I am pleased that he is willing to see that there are women increasingly working outside the home, and they need assistance. It is a terrible dilemma in America today that the reimbursement received by the child care facilities is insufficient to hire the kinds of individuals to provide our children high quality care. Our title XX reimbursement is insufficient to reimburse those working mothers at the poverty guideline who are trying to work out of poverty and to work up the economic ladder.

I am pleased to see the President has continued to place emphasis on the environment. We all join with him. In fact, one of the reasons I am able to talk in morning business is because we are trying to work out the conflicts, real economic versus environmental conflicts. We are working to resolve them. I sense that in this Congress there is a great desire to pass a Clean

Air Act, and I believe in fact we will do it in this Congress.

I hope that the President does not slow things down, slow things down again, with such proposals to amend the Constitution to protect our flag. In all of our travels to Europe and with the tensions in Eastern Europe, I have not heard a single politician say to the people of Eastern Europe make sure that your constitution protects you against people who dare to burn the flag. We talked instead about the need to make sure you have economic and political freedom, make sure you have a fourth amendment that protects you against unreasonable search and seizure, make sure that you minimize the power of government to interfere with your lives.

I hope the President does not slow things down again this year with that kind of proposal. Fifty-five hours of testimony we had last year on a constitutional amendment to protect ourselves from flag burners, an unnecessary waste of time in my opinion, taking away from us time to be concerned about more meaningful things.

Mr. President, before I left on recess, I asked my staff to prepare a number of things for me upon my return. One of them was to try to give me a sense of what it is like today to live in the United States of America and earn \$10,000 to \$25,000 a year. We just debated a pay increase, many of us saying we could not live on \$89,500 a year, and it occurred to me, since most of my people are in the \$18,000 to \$25,000 a year bracket, to get a sense of what it is like and what is happening to them in their lives.

One of the interesting things in the proposal by the Senator from New York [Mr. MOYNIHAN] to reduce the Social Security tax is that when you look at what has happened to middle-income America, not just in the 1980's—although I think it has gotten worse in the 1980's—but since 1973 you see something frightening, Mr. President.

When I heard the President of the United States describe the State of the Union last night, he inadequately described it. I describe it that way because my sense of it is he does not understand what is happening in middle America, because as I look at the numbers provided me by the Joint Tax Committee, I see today in America a tax system that says if you earn \$10,000 a year, the next dollar you earn is taxed at 33 percent, and if you earn \$10 million a year, the next dollar you earn is taxed at 33 percent. We have leveled the taxes in the United States of America. There is no longer progressivity in the taxes of the United States of America. They have been leveled as a consequence of action we have taken in the 1980's. Of all the people who need incentives in America today, it is not people who

are earning \$1 million a year or \$300,000 a year. The people who need incentives, who need hope, are people who are earning \$10,000 and \$15,000 a year.

Mr. President, when you look at the Tax Code today, it does not seem we are providing those individuals with incentives. As I have looked at the information that I received from the Joint Tax Committee, I am even stronger in my opposition to the proposal to reduce the capital gains tax because in the 1980's what we have seen is Americans chasing noneconomic gain in the stock market, chasing mergers and acquisitions to produce larger and larger fees and not necessarily to be concerned about the quality of goods and services that those companies are producing. Instead of being concerned about productive output, they are concerned about the kind of fees they can get trying to chase some kind of shelter in our Tax Code.

Mr. President, when our taxes were changed in 1986, one of the most significant things we did was to equalize the tax on capital and the tax on labor.

To my friends who are saying that you must reduce the tax on capital, I say beware. You lower the tax on capital in 1990 and you break the neutrality, you run the risk of saying to working men and women that we are going to have for the first time inequality, not just neutrality and a flatness in our tax system, we are going to have gross inequality in our tax system.

Perhaps the most alarming thing that I found in exploring the proposal that the Senator from New York put before this Senate and this Nation was some information provided by the Census Bureau and the House Ways and Means Committee, showing that since 1973 the productivity rate of the United States of America has been in decline, saying essentially that when I graduated from college in 1965 I could look forward to doubling my standard of living in 20 years because our productivity was increasing at 3 percent a year.

In 1990, the product of the annual increase is 0.3 percent a year, so that the people who graduate today can look forward to doubling their standard of living in 120 years.

Mr. President, we have been watching the wrong number. We have been looking at the annual increase in the gross national product, and we all know that we can fund increases in the GNP if we are willing to continue to borrow the money we borrowed in the 1980's. But if we want to raise our standard of living, if we want our children to have a higher standard of living, Mr. President, we must increase our productivity.

To increase our productivity, Mr. President, we are going to have to do an

awful lot more; we are going to have to spend a little more here; we are going to have to spend a little more there. We are going to have to say to American corporate leaders we have to get to the marketplace with what the marketplace wants.

The President said last night that we have the capacity to compete. But if you do a poll and ask Americans, and say of the state of the Union, what is your favorite automobile, do they list the American car today? The answer is no. They list the Japanese car today and the automobile marketplace. We have to do an awful lot more to give the people of this world the kinds of goods and services they want or we are not going to see our standard of living increase.

Is the cost of capital a factor? Absolutely yes.

I am enraged that we can continue to go to the people of the United States and say we are decreasing our deficit when the President of the United States in his budget that he presented 2 days ago requires Americans to borrow \$330 billion more. Three-fourths of all of our savings will be used not by people trying to build businesses, not by people trying to build homes, not by people trying to create quality products in the marketplace, but by the Government of the United States because we are pretending to reduce our deficit.

I have come to the conclusion, Mr. President, that in the 1980's one of the most terrible things we did was to say for the economic need of the deficit reduction we should lower the safety net for Americans in this Nation.

I believe, very simply stated, and I will elaborate on it further as this session goes further, we need to focus on two things: One, trying to increase the productivity of Americans in the marketplace. Do not pay attention so much to the increased GNP. GNP will increase if we increase our productivity. Second, try to raise that safety net, look at what people need in order to have hopes in America today. They need to have houses, transportation, health care, education; they need to have a sense that tomorrow is going to be better than today if they have faith and work hard.

Mr. President, it seems to me that our policy, both for economic reasons and for spending reasons, has been to not provide Americans with the hopes that they need. We indeed are a great people. The President spoke to it over and over and over. We are a great people with great economic and moral strength. We have the capacity, it seems to me, to stand 120 years from now and say we did the things necessary to set this Nation on a more prosperous course. But in order to do that we are going to have to consider what it is like for the working men and

women to do it, not just for us here in Congress making now \$90,000 a year, but working men and women making \$15,000 to \$25,000 a year.

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

Mr. KERREY. Then I will quit.

I yield the floor. Thank you.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I ask unanimous consent for 7 minutes to deliver a message.

The PRESIDING OFFICER. Under the order, Senators are to be given 5 minutes.

Mr. HATCH. I will take the 5 minutes. If I need more, I will ask for it.

The PRESIDING OFFICER. The Senator from Utah is recognized.

CLEAN AIR LEGISLATION

Mr. HATCH. Mr. President, we are here today to discuss one of the most important pieces of legislation this body will likely consider in this decade. This is morning business now but I would like to talk about the clean air legislation before the Senate.

We over the last week or so have been debating the proposals under which we will collectively spend billions of dollars for an important purpose—that is public health.

The costs of this legislation will be borne by the American economy and the American consumer. We must also recognize that we are spending this money for purposes on which many foreign economies are not willing to spend money. For these reasons, we must serve the American public and the American consumer by spending these monies in amounts, and for purposes, which yield public health benefits in the most effective way. We may really be taking positions here that will make us much less competitive in the world.

President Bush's plan for amending and improving the 1970 Clean Air Act is a bold proposal for addressing the problems associated with cleaning our air. The plan is a comprehensive, but balanced effort to bring about significant improvements in the air quality.

The President should be commended for his efforts. His legislation provides a flexible, market-driven approach to cleaning our air. It allows for specific environmental improvements to be implemented while still allowing and encouraging economic growth.

However, I am more than a little concerned about the clean air legislation that has come out of the Environment and Public Works Committee. While the bill addresses many areas that are important to the protection of public health and does so in a cost-effective way, certain provisions of the bill will impose substantial costs on the American economy and the Ameri-

can consumer with little if any impact on overall public health. I am also concerned that certain provisions of the bill are unnecessarily complex. For example, the permitting provisions of the bill as presently drafted may well delay timely achievement of the public health benefits we hope to achieve by passage of this legislation.

Each of us wants clean air. Nobody can be against the goal of having clean air. None of us or any of the people we represent are advocates of polluting the air. I believe we are all committed to protecting the public health and environment and I am certain that we each desire to preserve nature's beauty. However, we must spend the American public's money in a way that best achieves our public health objective. We will be faced with some difficult choices, but I believe as long as we are able to make decisions based on good scientific information and informed discussion rather than emotion, we will be able to craft a bill that recognizes that the environment can be protected without wasting the American consumer's money or unnecessarily burdening the American economy.

I have several concerns with portions of the bill, including the residual risks section of the air toxics title, the impacts on small business, and the effects the acid rain section will have on the area that I come from, the West. I intend to address each of these concerns in more detail over the next several days, and I want to make it clear that I am preparing a number of amendments to address those concerns. However, I also want to make it clear that I stand ready and willing to work with my Senate colleagues and the White House in resolving these important issues.

Mr. President, this is an important bill. I am concerned about whether we can achieve these clean air goals in more efficient and less costly ways. I am concerned about whether this country is going to survive the way the Environment and Public Works Committee has written this bill.

I think if we do not watch it we might find ourselves saddling the American people and the public with unnecessarily and difficult problems without really cleaning up the air any more than the President's program would do.

As I see it, the Environment and Public Works Committee's bill will cost at least double what the President's would on an annual basis and the President's proposal is estimated to cost \$19 billion annually. How much more can we saddle the American people, industry, and small business with in order to satisfy some of the demands of those who may be extreme in some of these areas?

I have been told by what may be alarmists in the automobile communi-

ty that we will not have the American automobile industry if the Environment and Public Works bill passes. I intend to study it enough to make sure that is not so. If it is so, I am going to vote against the bill. I have been told by the steel industry that the way that bill is written by the Environment and Public Works Committee we will actually destroy the coke creation business in this country, and we may destroy our steel capacity and our ability to make steel in this country. That would be catastrophic, especially if we can reach clean air standards without doing so.

I have been told that many, many small businesses are going to have to go out of business because they cannot meet the demands that are made by this bill. I have been told that there is discrimination between regions in this bill. I have been told that many of the provisions that are written by the Environment and Public Works Committee will not work in practice. If these things are true, we had better find them out.

This is not some little insignificant bill that we can pass just because people want to vote for the environment. We have to take into consideration all of these various concerns. I intend to continue my study, and to talk about it over the next number of days and months. Hopefully before we pass anything, all of us will arrive at a consensus that literally the Nation can afford, live with, and that will be in the best interests of everybody.

If we do not, I think we are going to have to regret for the rest of our lives as legislators having rushed to judgment on something like this without the insight and knowledge that we really ought to have.

I hate to say this, but I have chatted with some of the leaders on this bill in private, and they do not know what is in this bill. If they do not know, how in the world are the rest of us who are not on the Environment and Public Works Committee supposed to know it? Because of that, I am in the process of a very important study of this bill and intend to speak on it for a series of discussions.

Hopefully, it will help our colleagues to all look at it a little more carefully than we have up until now.

EXTENSION OF MORNING BUSINESS

Mr. HATCH. I ask unanimous consent, Mr. President, to extend morning business until 4 p.m. under the same conditions as previously ordered.

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

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

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

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

EL SALVADOR

Mr. GORTON. Mr. President, I recently ran across an interesting article in my hometown newspaper, the Seattle Times. The article addresses the problems in El Salvador from a perspective few of us in this distinguished body often have the opportunity to hear. The author, Omar Revelo, is a Salvadoran who now lives in my State.

Mr. Revelo does not take sides in this polarized debate, and from that perspective he shows great insight. He points out what should be obvious to all of us: Salvadorans want neither to be ruled by the Marxist forces of the FMLN, nor do they wish to be ruled by a small and corrupt oligarchy.

Mr. Revelo states that the Salvadoran people yearn for what many of us take for granted in our daily lives: a functioning, independent judicial system that will protect them from abuse by the military, and the opportunity to provide for their families and lead a dignified life.

I firmly believe that with continued assistance from the United States these goals can be achieved in El Salvador.

Mr. President, I ask unanimous consent that the text of Mr. Revelo's article be printed in the RECORD.

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

[From the Seattle Times, Jan. 29, 1990]

WHAT THE SALVADORANS LEAST WANT: VICTORY BY LEFTIST GUERRILLAS

(By Omar N. Revelo)

There has been a lot of talk about El Salvador recently: by North Americans telling one another what they think the people of that long-suffering nation want. As a citizen of El Salvador who emigrated to the United States in 1985 but who tried to stay in touch with events in my country, I offer some thoughts as to what the people of my native land want.

I am not from the wealthy classes, although I obtained a college degree in San Salvador. I own no condominium in Miami or anywhere else, and I work two jobs now: stocking shelves in a discount store, delivering pizzas at night.

While my earnings, and a little side income from a home industry (making pinatas), my wife and I are raising four children, one of whom now attends college. It has not been easy, but one of the main reasons we left El Salvador was the far more difficult economic conditions there.

The thing the people of El Salvador want least is a victory by the FMLN guerrillas (the Farabundo Marti National Liberation front).

An early document of the FMLN set out its plan of government. It included proposals to "nationalize the entire banking system . . . foreign trade . . . the refining of petroleum; expropriation of enterprises in industry, trade and services; carry out a deep-going agrarian reform; carry out an urban reform . . ."

In short, the FMLN seems to have in mind the same economic measures that have impoverished the people of the Soviet Union and Eastern Europe, not to mention political measures that many Salvadorans fear would be similar to Fidel Castro's in Cuba.

Salvadorans expect their economic conditions would worsen if the FMLN came to power; and they don't trust talk about human rights, pluralism, or democracy from guerrilla leaders who call themselves Marxists and occasionally fly to Cuba.

The second least popular force in El Salvador is the army.

For generations its officers' behavior has expressed the old Spanish saying: "*Autoridad que no abusa pierde su prestigio.*" ("Authority that is not abusive loses respect.") In the absence of a functioning judicial system, this attitude led to gross human-rights violations and repression by the military.

Tying for third place in what the people of El Salvador least want would be: rule by the rich, rule by the U.S. Embassy, or rule by the church.

El Salvador is a working-class country with a large labor force that was once among the most productive in Latin America. The workers want leaders who understand how to make their income grow again, while reducing unemployment and improving the distribution of income.

They do not want leaders who use El Salvador as a laboratory for implementing discredited economic theories; leaders who use public office to line their own pockets and those of their cronies and relatives.

As for the U.S. Embassy, most Salvadorans are uneasy with the large influence the U.S. government exercises in our national affairs. For the time being some are prepared to tolerate the U.S. presence, believing the economy would collapse without it. But most Salvadorans look forward to the day the U.S. rule is much smaller than it is today.

The Roman Catholic Church is distrusted. Many North Americans have heard of the church's vigorous defense of human rights in our country. But the church has political and social ambitions of its own and is not as pluralistic as it might be.

In 1982, when the present Salvadoran constitution was being debated by an elected Assembly, the church tried to insert a clause that would have made Roman Catholicism the official religion.

This unnoticed gesture, supported by the Christian Democratic party, meant that any number of laws, perceived by the church to be contrary to Catholic doctrines, might have been declared unconstitutional. Fortunately, after heated debate, this proposal was overwhelmingly defeated by the Assembly.

The question most Salvadorans ask is, who can deal with these different forces in our society most successfully, while ending the war and bringing the economy out of a 10-year depression?

I'm not sure who this person is, but that is what the country's six elections were about. Our people did not believe Roberto d'Aubuisson was a proper choice; he is too closely identified with the army and policies of brutal repression.

Neither did the people want leaders of the socialist left. A party representing this view, the Democratic Convergence, contested the elections for the first time in 1989 and received less than 4 percent of the vote.

Few believe this poor result was attributable only to intimidation, fraud, or insufficient opportunities for the Convergence to campaign and organize.

What DO the people of El Salvador want?

First, they want a truly professional judiciary, independent of the army and executive branch, and egalitarian in its treatment of rich and poor, both rural campesinos and urban abrerros, regardless of their political views or personal affiliations.

Without judicial reform, it is impossible to see how El Salvador can emerge from decades of injustice, abuse of human rights, and deep social division.

Second, they want jobs.

This means creating more industrial jobs, for employment growth in the long run is in the cities, in services and manufacturing, and not on the farm. But industry cannot grow without peace. For this, Salvadorans must first stop dealing with one another through the barrel of a gun.

The PRESIDING OFFICER. The Senator from Vermont.

EXTENSION OF MORNING BUSINESS

Mr. LEAHY. Mr. President, I have been asked to ask unanimous consent for the time for morning business be extended to 4:30.

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

LANDALE EDSON

Mr. LEAHY. Mr. President, Landale and Isabel Edson are two long-time and very special friends of the Leahys. They have known me, literally, all my life, and I have the fondest of memories of growing up with them and their son, George, and daughters, Carol and Jean. Landale and my father spent decades together as active leaders in the city of Montpelier and with the Montpelier Kiwanis Club. During the years my father was alive, the Edsons and my parents were always close and good friends, and I know my mother cherishes the friendship with them today.

As a boy growing up in Montpelier, and later as an adult, I have always had the highest respect and greatest affection for the Edsons, and have always considered Landale a good and special friend. Because of that I was very pleased to see an article recently in the Central Vermont Senior Citizen News by Debbie Strauss profiling him, and I ask unanimous consent to print that in the RECORD at this point.

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

G. LANDALE EDSON: WORKING HARD AT STAYING BUSY

(By Debbi Strauss)

Landale Edson describes himself as one of those "rare individuals" who is a native son of Montpelier and has never left the place. That is really the only fact that Edson thinks makes him stand out a bit in a crowd. In his humbleness, he would never admit that he is a shining star and guiding force for others. But he is.

Born on First Ave., Edson has switched homes between there, North St. and Liberty St. about five times, but has never had the desire to roam from his native city.

Even during World War II Edson served his country in Montpelier, running the C.H. Cross Baking Co., whose headquarters were where the City Center now stands. Edson's father bought the business in 1908 and in 1932, Edson entered the business, taking charge in 1942, when his father passed away.

"The draft board thought it was more important for me to feed the natives," he explains, adding that it was difficult at that time to get the machinery and materials he needed. There was a manpower shortage, as well.

"Anything that breathed, we hired," Edson states.

Over the years, Edson watched his company expand delivery from a 25-30 mile radius to eventually more than four states. He also began making products under the Grand Union label, as well as labels for other food chains.

After spending 45 years in the business of providing bread, rolls, donuts, cakes, English muffins, pastries and Cross crackers (now called Vermont crackers), Edson retired. Resting, however, is not in Edson's nature.

"I'm as busy now as if I was working for a living," laughs Edson. The activities that Edson finds to keep him busy are what make him an exceptional person.

First of all the names G. Landale Edson and the Kiwanis Club are practically synonymous. Edson joined the club in 1939, six months after its inception and served as its president in 1949. From 1985-86, he was the Lieutenant Governor of the Kiwanis Club, which covered an area of six different clubs.

He has also written the club's weekly bulletin for the past 30 years.

As a reward for all his efforts, although that is the last thing Edson sought, he was given a lifetime membership to the Kiwanis Club. These awards are only given to those members who have been in the service club for a long time and have been in several offices locally and regionally. Edson is the only member of his local club to have received this award.

Thinking he was going to have a relaxing evening attending the induction of new officers. Edson was "was shocked" when he saw both his son and daughter, who live in New Hampshire, as well as his daughter from California step into the room. Testimonials were then given in honor of all Edson's efforts as a member of the Kiwanis Club.

Chuck Haynes, who gave one of these testimonials thinks of Edson as a father figure.

"He guides and nudges us in the right direction without being overbearing, but then, he'll step back and let you go on your own. He's very sensitive to other people's situations," Haynes notes.

"He's always interested in everybody's business, but not in an obtrusive way," says Haynes. "He just sort of cares about people

and has a genuine, sincere interest in them."

I have to mention at this point that while I visited with Edson, he probably learned as much about my life as I did about his. In the same light, it was not "nosy" conversation, but that of a person who had an interest in others. In the same way that Edson reminded Haynes of a father figure, he reminded me of my father, who had that same gift.

Described by Haynes as "just one of those magnetic personalities who always have done so darn much," Edson is well noted for keeping the club's archives "not because he was asked to, but because he felt it was important."

Another activity that takes up a portion of Edson's schedule is his involvement in the Bethany Church extended ministry, which helps disabled individuals. The group offers rides, delivers meals, and visits those who are unable to go outside. Besides the extended ministry, Edson has served on many of the church's committees.

He also was involved with Montpelier On the Move and the Montpelier Area Development Association, which encouraged National Life of Vermont to remain in Montpelier.

Probably above everything else, Edson is a family man.

"I've got the world's greatest family," he insists. He and his wife, Isabel, have been married for 53 years. They have one son, George; two daughters, Carol and Jean; two sons-in-law, Frank and Herbert; a daughter-in-law, Jill, 10 grandchildren, and one great-grandson.

"We gather every summer for a vacation at Lake Sunapee (N.H.)," Isabel says, adding that even her family in California makes the trip.

Edson's sister, who has recently become blind, also lives in Montpelier. He visits her daily and helps her adjust to her new situation.

Edson seems to make a business out of working hard to stay busy.

"I do the same thing as I did in business," he declares, explaining further, "I make a list of things that have to be done and I never get to the bottom of it." He plans to continue his agenda for as long as possible.

"I believe we're on the earth for more than just to indulge ourselves. I feel we should help other people," he states, adding that he remembers the words of a minister, "Don't give until it hurts. Give until it feels good."

RENEWAL

Mr. LEAHY. Mr. President, Father Wendell Searles is the pastor of St. Augustine's Church in Montpelier, the parish where I grew up and where my mother still attends mass today. I thought Father Searles wrote a most interesting piece that I would like to share with my colleagues.

Mr. President, I ask unanimous consent that the article be printed in the RECORD in its entirety.

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

[From the Burlington (VT) Free Press, Jan. 6, 1990]

NEW YEAR OFFERS CHANCE FOR RENEWAL

(By Rev. Wendell H. Searles)

In Roman mythology, Janus is a god who has two faces that look in opposite directions. One face looks into the past and the other looks into the future. At some point in the history of calendar-making the first month of the year was named for the god Janus. And so the month of January, the beginning of a new year, is a time to look back and a time to look forward.

In recent weeks, the media have spent great time and energy in assessing not only the year just ended but also a decade. The '80's have been scrutinized and analyzed and summarized and all agree that we have lived through a time that can be described as historic in the best and most accurate sense of the word.

For most of us our year-end reflection will deal with matters on a smaller scale. We deal with things that have gone on in our personal lives, not because we are not interested in the global picture, but because we are called first to manage our own lives, not the world.

A review of the year might well lead us first to thoughts of thanksgiving. Every day could well be thanksgiving day but in a particular way the end of a year is a time to be grateful what has been. Think of the blessings that have been given to you: health, education, employment, freedom, faith, family and friends. The list could go on and on. How profoundly we ought to be.

Looking back also leads us to a desire to right the wrongs, correct the errors, erase the mistakes, and seek forgiveness of the sins. We all make mistakes. We fail. We fail. We sin. The life of faith is an continuing effort to rise above our human weaknesses and one of the greatest of gifts given us is the opportunity to leave past mistakes behind because of a God whose mercy is without limit.

And so we look back with gratitude for the good that has been and with trust in God's mercy for what has been wrong. This sets the stage for a new beginning. We proceed to look forward.

Louise Fletcher has an interesting little piece on new beginnings:

"I wish that there were some wonderful place called The Land of Beginning Again, where all our mistakes and all our heartaches and all of our poor selfish grief could be dropped like a shabby old coat at the door and never be put on again."

A new year invites us into that Land of Beginning Again.

We deal with this new beginning while still celebrating the Christmas feast and appropriately so because it is Christmas that makes it possible. Jesus comes saying, "You can begin again. You can come to know the life-enriching presence of God. Your life and your world are graced and visited by your God. I come as your savior. I am Emmanuel, which means that God is with you. I forgive and wipe away your past mistakes and call you to the land of beginning again."

With confidence and trust, then, we look forward to a new year of grace asking this blessing: May God grant us grace and every blessing and keep us safe throughout the coming year. May God grant us unwavering faith, constant hope and love that endures to the end. May God hear this prayer and help us to make this new year the land of beginning again.

THE PRESIDENT'S STATE OF THE UNION MESSAGE

Mr. LEAHY. Mr. President, I might just note I do not see any Senators seeking recognition at the moment. So, if I am not intruding on any other Senator's time, I have a couple of comments about last night's State of the Union Message.

I was rather pleased with it. I have spent 16 years here, and thus have heard 16 State of the Union Messages. Some I have enjoyed. For some I wished, perhaps, I was elsewhere. Last night I enjoyed it.

What I enjoyed was that I felt it was a State of the Union Message designed to bring people together rather than to divide them. I hope the President noted the strong bipartisan support for the vast bulk of what he laid out as themes.

I hope we all realize now the mark of leadership of the President, the mark of leadership of the Congress. This is how we work out the details of these broad themes.

None of us could question, for example, that we need to improve the educational system of the United States. It is abysmal. To think here we are, a wealthy nation like ours that has always prided itself as being the first of the first world nations—to find ourselves so far behind the European nations, Japan and others, in so many basic areas of languages and math and science and literacy.

We have to go back and develop some idea how far we are willing to work in the educational system, what we are willing to demand of our children. Do we want a homogeneous, lowest common denominator system or do we want to make it possible for children to excel in school, and to set the incentives and the stimulus to get them to do just that?

But that is expensive and it will require some very significant details to be worked out. I hope we will work them out. I see so much we can improve on in our school systems and our whole future in this country will be better.

I read an article in the New York Times the other day where somebody called one of the zoning offices in New York City. She had a particular issue involving the building she was in. Apparently the zoning code was different, whether the building was built after 1960 or before 1960. They asked the caller when was the building built.

She answered, "Well, it was the immediate postwar period."

They said, "No, but, when, because it makes a difference whether it was before or after 1960."

She said, "Well, it was built within a couple of years after World War II."

Again the person answering said, "Yes, but was that before or after 1960?"

The New York Times found this interesting enough to run a whole column on it. But I daresay that there are some who might read that and try to figure out what the point was. We have lost ground in history. We do not teach geography. We do not teach language. In fact many would argue we do a poor job of teaching our own mother tongue in schools.

We have given up on spending money in innovation and technology and research and development. Instead, we make overnight billionaires of youngsters working on Wall Street selling junk bonds for leveraged buyouts of everything from long-term department stores, which go belly up within a year after that, to the merger of airlines which spend so much money on debt reduction they cannot keep their planes flying adequately. They cannot keep their fares within reach of the average person. And it raises majority safety issues, and on and on.

For those who may be reading this, I am now 49 years old, so it was not that long ago, but when I grew up we lived in a generation where we thought we should make it better for the next generation. Each generation could look forward to something better: more accomplishments, better education, better jobs, more challenges, and so on.

I daresay, you might go around this country and ask if that is still so. Do young people who remember fondly growing up in their parent's homes even think they are going to afford a similar home themselves? Or give to their children the education which their parents were able to give them? I think not.

So while I completely concur with that the President said last night in goals for this country, I suggest for all of us, again, the mark of leadership is going to be how we work out the details in reaching those goals.

We have done and accomplished one very good thing, Mr. President. That is, President Bush has laid out goals that most, if not all of us, would agree on, in almost every instance. Let us build on that. Let us use the leadership to work out the details.

I am concerned, Mr. President, that if we do not, we come into the next century, just under 10 years from now, a greatly changed nation. A nation greatly changed from the one you and I knew as we were growing up and lacking one very significant thing, Mr. President: that sense of hope, that sense of always moving forward, that sense of always accomplishing something greater. I would hate to think of my children going into the next century or their children going into the next century without the same sense of hope, ambition, and accomplishment we shared when we were growing up.

Mr. President, I urge that all of us sit down and think: If we agree on the goals, how can we agree on the means? I urge the President and others to understand that is the mark of their leadership and a legacy to the office they hold. The President and all us have to show the leadership to attain those goals.

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

The PRESIDING OFFICER (Mr. GRAHAM). The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

PRIVILEGE OF THE FLOOR

Mr. HARKIN. Mr. President, I ask unanimous consent that Mary Richardson, who is on my staff, be permitted to come on the floor during such time as I am introducing a bill and making comments thereon.

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

Mr. HARKIN. Mr. President, I suggest the absence of quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Senator from Iowa is recognized.

Mr. HARKIN. I thank the Chair.

(The remarks of Mr. HARKIN pertaining to the introduction of S. 2056 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

EXTENSION OF MORNING BUSINESS

Mr. HARKIN. Mr. President, I ask unanimous consent to extend morning business until 5 p.m. under the same conditions as previously ordered.

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

COL. JAMES N. ROWE: A HERO IS HONORED

Mr. HELMS. Mr. President, there have been suggestions that our country no longer produces heroes, a notion which I reject. Our history is filled with gallant deeds of men and women who probably never thought of themselves as heroes. Yet, monuments have been built to their memories; we have recorded their names in marble, bronze, and in our history books.

There are no fewer American heroes today. We may have to look a little harder to single them out because it is the nature of true heroes that they never herald their own deeds.

Mr. President, a hero will be honored on February 8 in North Carolina.

Bob Cox and the Vietnam veterans he leads will dedicate a building at Fort Bragg in honor of Col. James Nick Rowe who served in Vietnam, where he was a prisoner of war for 5 years, 1963-68. He escaped and instead of retiring to the safety of his home, he remained in the Army and continued to serve his country.

Colonel Rowe, a graduate of West Point, was murdered in the Philippines last year, while in the service of his country.

Colonel Rowe was an author. His book, "Five Years to Freedom," is an inspiration and should be read by all who love America.

It is fitting that his Vietnam comrades are honoring his memory with the dedication of this structure at Fort Bragg.

Colonel Rowe was buried in Arlington National Cemetery and his widow, Mrs. Susan Whitford Rowe, lives in Durham. She too is a hero for having sacrificed as she has.

Mr. President, on May 3 of last year, I spoke of Colonel Rowe's tragic death. I ask unanimous consent that those remarks be printed again in the RECORD at the conclusion of my remarks today.

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

**COL. JAMES N. ROWE: AN AMERICAN HERO
LOST**

Mr. HELMS. Mr. President, on May 1, Col. James N. "Nick" Rowe was buried in Arlington National Cemetery, the victim of a cold-blooded murder by Communist terrorists while driving to work at the Joint Military Advisory Group Headquarters in Manila.

Colonel Rowe had been sent to the Philippines to do what he had done so well throughout his life, advising free people how to defend themselves against those intent on destroying their liberties.

Mr. President, Nick Rowe was an American hero. After being sent to Vietnam with the Special Forces in 1963, he was captured by the Vietcong and left to rot in a cage for 5 years. He escaped execution only by pretending he was an engineer. However, an American "peace group" informed the North Vietnamese that Nick was a member of the Special Forces, which immediately marked him for death.

The Vietcong planned to shoot Nick Rowe, but he foiled their plans. At a moment when his executioners were briefly distracted by American helicopter gunships, he killed one of his guards and made a dash for the jungle. An Army chopper saw a man in VC pajamas running through the woods and locked him on target. When the man turned around the gunners noticed that he had a long beard and was shouting in English. The helicopter immediately landed and carried Nick Rowe back to freedom.

Mr. President, Nick Rowe was the only American officer to escape from the clutches of the Vietcong in South Vietnam.

In the years following his escape, Nick Rowe had many roles. He was an artillery officer, intelligence officer, and spokesman for "Operation Homecoming," the program for returning prisoners of war. He even retired from the Army for 7 years. He wrote

several books and entered politics in his home State of Texas.

In 1981, Colonel Rowe returned to the Army as a special instructor at the Special Forces Schools at Fort Bragg. Prior to his last assignment in the Philippines, he commanded the 1st Special Warfare Training Battalion at the John F. Kennedy School for Special Warfare. While stationed in North Carolina, he worked tirelessly on behalf of Vietnam veterans and MIA's across the State.

Mr. President, Colonel Rowe died in the service of his country. This brief statement cannot do justice to his life. But I wanted to note the passing of a true patriot, a man of ideals and a dedicated servant of free men everywhere. The greatest tribute that can be paid to Nick Rowe would be for the rest of us to continue the fight against Communist aggression in the Philippines, in Nicaragua, in southern Africa, and anywhere tyranny prevails. A man of Nick Rowe's stamp will be greatly missed.

**MIDDLE EAST MILITARY
BALANCE**

Mr. PRESSLER. Mr. President, the prospects for a lasting peace in the Middle East are uncertain. Although from time to time diplomatic pronouncements suggest that a resolution of the outstanding differences between Israel and its Arab neighbors may be at hand, in each such instance over the past several years those optimistic speculations have not borne fruit. I share the disappointment of most Americans and Israelis that this has been the case.

At the present juncture of Middle East diplomacy, what most concerns me is the eroding military balance in that vital region of the world. The plain fact is this: Israel is gradually losing ground in its efforts to stay on a level military playing field with its neighbors. This is an unacceptable and dangerous situation. There are several reasons why this erosion has occurred.

First, although United States aid to Israel remains high, inflation has eroded the value of that aid by more than \$400 million since 1986. In addition, 40 percent of that aid is spent by Israel to repay its debts to the United States. This amounts to \$1.2 billion this year. The practical effect of these factors is that Israel has less to spend on defense out of the United States assistance it receives. Incidentally, \$2.6 billion, 87 percent, or current United States aid to Israel comes back to the United States in the form of debt repayments and military purchases. This creates at least 60,000 American jobs.

Second, Israel's Arab neighbors—many of whom are wealthy from oil export revenues, as Israel is not—continue to purchase foreign arms at a record rate. These purchases contribute greatly to the eroding Middle East military balance. Iran, Iraq, Libya, and Syria have acquired ballistic missile and chemical warhead capabilities. The Arab nations now own 30 percent more fighter aircraft than NATO, and

Arab air forces outnumber Israel's by a 4-to-1 ratio. In addition, the tanks of Arab armies are far more modern than those used against Israel in the past, and Arab tanks at 17,000 are equivalent in number to NATO's tanks—a 4.5-to-1 ratio over Israeli tanks. In the past 16 years, the Arab nations most directly involved in the Arab-Israeli conflict have bought more than \$170 billion in foreign weapons.

Third, the Middle East military balance continues to be afflicted by terrorism. Last year alone, 13 terrorist attacks were committed by Fatah inside Israel's pre-1967 borders. PLO-affiliated organizations conducted or attempted 17 border attacks and infiltrations last year. In other words, the military threat to Israel is more than just a theoretical possibility.

For these reasons, Mr. President, as well as the fact that democratic Israel is an essential strategic partner of the United States, it is my view that United States policy must avoid steps that might contribute to any further erosion of the Middle East military balance. Such steps could hurt not only Israel, but also United States fundamental interests in the Middle East region and elsewhere.

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

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

**EXTENSION OF MORNING
BUSINESS**

Mr. GRAHAM. Mr. President, I understand that the time for morning business has been extended until the hour of 5 p.m. I ask unanimous consent that morning business be extended until 5:30 p.m.

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

Mr. GRAHAM. Mr. President, I ask unanimous consent that I be allowed to speak for such time as is required during morning business.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Florida is recognized.

NICARAGUAN ELECTIONS

Mr. GRAHAM. Mr. President, on February 25, less than 4 weeks from today, Nicaraguans will vote in elections that could lead to a legitimate government and eventual reconciliation and peace in that country which has known war for too many years.

As much as we all would welcome that outcome, there is troubling evi-

dence that raises serious questions about the fairness of the electoral process now underway.

Too remain silent in the face of this evidence is to undermine the eventual credibility of the election. If the incoming government lacks legitimacy because of a fatally flawed election, the prospects for reconciliation and the prospects for peace will be that much farther off. That is something which none of us want to see.

That is why it is important that the United States and those who share our democratic ideals speak up now, and speak up forcefully. That includes the observers who have been in Nicaragua monitoring the election process.

If we are to do so intelligently and effectively, we must pay attention to what is going on. And not only on election day. Flawless voting on the day of the election by no means assures a free and fair election. The campaign leading up to the election is of critical importance.

I am concerned that because of momentous changes in Eastern Europe and the events recently in Panama, our attention has wavered. Nicaragua needs all the attention it can get. We will not soon have another opportunity such as that which is going to be available on February 25.

This impression, an impression of Nicaragua which has lost its position in our sense of priorities and concerns, is an impression I came away with after visiting Nicaragua in December. Since then, my views have been reinforced by the many troubling actions taken by the Sandinista government.

Mr. President, the campaign in Nicaragua has been replete with incidents of intimidation of the opposition.

Outright violent intimidation was the rule earlier in the campaign. The week before we arrived, on December 10 at a rally in Masatepe, a bipartisan delegation led by the Center for Democracy witnessed an attack by Sandinista-controlled young toughs known as Turbas on the supporters of UNO—the opposition coalition. Several people were injured seriously. At least one person died.

Since December 10, the Sandinistas have stepped up security at political rallies. Physical intimidation, however, continues. As recently as January 16, turbas threw rocks at the house of UNO's television producer, Carlos Briceno.

Earlier in the day, Sandinista police tried to arrest Briceno on the pretext that the car he was driving was similar to one that had been stolen. The police departed when Briceno's wife went to call the press.

Other types of intimidation are rife. The Organization of American States, in its most recent election report issued January 10, cites the threat of job loss, threatening anonymous phone calls and notes, damage to pri-

vate property, and outright death threats.

Nearly 200 opposition candidates have resigned—97 from UNO, according to the OAS. The OAS expressed concern about the hidden causes. I hope that the OAS will vigorously investigate these causes.

Intimidation has been but one component of a general pattern of harassment. The Sandinistas also have prevented vital assistance appropriated by the Congress from reaching the democratic opposition.

According to the National Democratic and Republican Institutes, the two groups responsible for managing the program, the delaying tactics of the Nicaraguan authorities contradict earlier assurances that the institutes would be able to operate without such delays.

The result is that the Institute for Electoral Training and Promotion [IPCE], a nonpartisan civic organization charged with promoting election participation, has received only \$233,000 of the \$1.5 million it was due. And that \$233,000 of the \$1.5 million has only arrived within the last 48 hours.

UNO, the opposition party, has received just \$228,000 from the \$1.8 million allotted to it. Most of the balance has been spent on equipment, much of it badly needed vehicles. Sandinista custom officials reportedly are expected to release them today. I hope they do.

While the Sandinistas delay, the Sandinista newspaper *Barricada* tries to blame delays on the Washington bureaucracy. The paper's explanation included a totally outrageous and unacceptable anti-Semitic attack.

According to the National Democratic Institute, the author, Roberto Larios attributed the tight control of the program to Congress' traditional "Jewish style" of operating.

The article continued with repeated references to Ken Wollack, Mark Feierstein, NDI's project manager in Managua, and National Endowment for Democracy President Carl Gershman.

Although *Barricada* has since distanced itself from the anti-Semitic references, and Nicaraguan Foreign Minister D'Escoto wrote a critical letter to the paper, which was published, the unacceptability of these remarks is hardly diminished.

In the face of these gratuitous attacks and some unbelievable bureaucratic hurdles, the National Democratic and National Republican Institutes have performed a great service. They are to be commended.

Former President Carter returned last weekend from Managua with assurances from the Sandinistas that they would investigate and halt any intimidation by their supporters. The Sandinistas also said they would take

steps to assure immediate release of the balance of the funds due to UNO and IPCE.

I hope that happens. But, Mr. President, the hour is late. Much damage already has been done to the campaign of the democratic opposition.

I sincerely hope in the few weeks remaining before the election the Sandinistas take the comprehensive corrective action that is needed to assure independent elections, that is needed to convince the international community that these elections deserve their credibility.

Nicaragua is at a critical juncture. Unless a new government is legitimately elected through credible democratic elections, reconciliation and peace are going to remain that much further out of reach.

If the Sandinistas should proclaim themselves the victor in an election which lacks credibility in the family of democratic nations, Nicaragua will endure further isolation and pariah status. I implore the Sandinistas to think very clearly about what kind of election they want to have and what kind of a future will Nicaraguans live in after February 25.

I thank the Chair.

FREE AND FAIR ELECTIONS IN NICARAGUA

Mr. McCain. Mr. President, I should like to thank my colleague and friend from Florida, Senator GRAHAM, who not only has an abiding interest in this issue but the depth of his knowledge and expertise and his commitment to freedom not only in Nicaragua but in El Salvador and throughout Central America adds enormously to this body.

I pay very close attention to his words, and on the occasions when I have traveled with him, I think he is a credible and, indeed, outstanding spokesperson for the principles we believe in in this body, and for that I thank him.

I know that he clearly reflects the desire of the people of his State to see freedom and democracy triumph throughout Latin America, for which the people in Florida obviously have a special affinity.

Mr. President, I want to voice my concerns about the Nicaraguan election scheduled for February 25. I fear the campaign has thus far been sufficiently corrupted by months of Sandinista abuses as to produce grave doubt about the fairness of this election, no matter how scrupulously correct procedures on election day are observed.

Mr. President, just today I found out that there has been an in-depth study conducted at the request of President Oscar Arias by a former President of Costa Rica, which has reached some rather disturbing conclusions concern-

ing the Nicaraguan voter registration process that took place on the four Sundays last October.

First of all, Mr. President, why would any regime that claims to support a free and fair election restrict voter registration to four Sundays several months before an election? We would never accept such procedures in the United States. Now this additional evidence provided by the former President of Costa Rica indicates that there were some extremely disturbing abuses taking place during those four Sundays. Busloads of soldiers, in fact reminiscent to some degree of the election in Panama, were taken from one polling place to another and registered to vote. Consequently, the authenticity of those voter registration rolls is now in question.

I am hopeful that some of this money that is finally—and I emphasize finally—finding its way to the opposition in Nicaragua, will be used to determine the integrity of these registered voter lists.

The only requirement for voter registration during those four Sundays was the word of two witnesses that that person was indeed a resident of the polling area where he registered. So it raises a serious question as to whether, very frankly, the election has already been corrupted by the Sandinista government during the voter registration period.

Election-related violence condoned, provoked, and ordered by the Sandinistas; the continuous harassment of the opposition, and the intimidation of their supporters have so adversely influenced the process that it is difficult to imagine how the election, if it were held today, could possibly be called fair.

Nevertheless, I do not believe that those abuses of the election process necessarily guarantee that Mrs. Chamorro and UNO will not win this election.

I am discouraged, of course, by the many instances of voter intimidation and heavyhanded attempts to undermine UNO's campaign, but I have confidence in the people of Nicaragua. More than a decade of Sandinista rule has left the Nicaraguan economy in ruins and Nicaraguans forlorn as their dreams of freedom and a better life are upset by the intolerance of their Sandinista rulers. Although I suspect the FSLN's distorted campaign and strongarm tactics have had their effect, I am hopeful the indignation of Nicaraguans and their determination to fulfill the promise of their revolution will compel them to risk Sandinista displeasure and vote for Mrs. Chamorro.

When I refer to Sandinista election abuses, I include under that heading use of the army and State security to intimidate and physically abuse UNO activists and supporters. I have in

mind a number of specific instances of abuse like:

The incident near Pantasma on November 26, when Nicaraguan soldiers, after beating and detaining two UNO supporters, were ordered to open fire on UNO demonstrators;

Or the beating of UNO activist Francisco Mendoza by soldiers who after the beating, fired several shots at him;

Or the illegal arrests of UNO candidates Agustin Javier Sevilla and Miguel Angel Manzanarez.

Many observers have always assumed that the Sandinistas would use the Nicaraguan Army, which functions as the muscle of the FSLN, to subvert the election process from registration through election day. I am surprised by how frequently those observers are proved correct. Of course, I am also gravely concerned about the capabilities of the so-called turbas to disrupt the campaign. These Sandinista versions of Noriega's dignity battalions show no restraint in their determination to subvert the election:

On November 12, at an UNO rally, these young thugs attacked and stoned townspeople attending the rally. Four U.S. Congressmen witnessed the attack and were later shown threatening notes meant to discourage attendance at the rally.

On November 26, turbas attacked UNO Vice Presidential candidate, Virgilio Godoy with firebombs.

In Esquipulas, UNO activist Marcos Sanchez was shot and wounded by a Sandinista hoodlum.

On December 3 in Cofradia, turbas used bricks, clubs, pistols, and AK-47's against UNO supporters gathered in a private home. Sandinista police, called to the scene, helped the turbas to disrupt the gathering and a Sandinista-controlled health clinic refused to treat the wounded.

And on December 10, turbas attacked UNO supporters at a rally in Masatepe with nailed boards and machetes. Several people were seriously wounded and one person was murdered. A bipartisan delegation from the United States witnessed the violence and identified the Sandinistas as the perpetrators of the atrocity. Police refused to intervene in the massacre until repeatedly urged to do so by the delegation.

Given that these are just a few of the preferred campaign tactics that the Sandinistas have employed in this election, I am astonished by accusations that UNO and the U.S. Government have exaggerated Sandinista subversion of the election. I find it difficult to imagine how one can exaggerate the murder by machete of an opposition supporter. The instances of Sandinista intimidation and abuse are numerous and well documented.

Given the Sandinistas' reliance on violence, I find equally astonishing the campaign smear tactics that the FSLN

employ as they seek to link UNO with acts of brutality and violence. Linking UNO to the National Guard or to criminal acts is more than heavy-handed slander. It is ludicrous and ironic, considering how readily the Sandinistas turn to violence to influence the outcome of the election.

We are, of course, frequently treated to Sandinista denials that they seek to subvert this election. And yet they are determined to limit the number of delegations from this country that could observe their campaign behavior. I have in mind specifically their refusal to admit into Nicaragua the Election Commission appointed by President Bush.

I find it hard to understand how the Sandinistas can expect international approval of the election if they seek to hide FSLN campaign practices from the analyses of an objective, bipartisan delegation of U.S. Members of Congress who only seek to ensure the integrity of this election.

Finally, I would like to add a word of advice to those election observers who have been allowed into Nicaragua. In their admirable desire to be fair and balanced witnesses, they should not discount the observable realities of the Nicaraguan political scene. Observers cannot discharge their responsibilities by forgetting that the Sandinistas are practiced liars who are determined to remain in power. We should appreciate that only one party to the election does not seek office as an end in itself but as a means to further promote democracy in Nicaragua. All observers are well advised to pay more attention to everyone's views rather than simply those of the Sandinistas.

Mr. President, I am not without hope. I believe that they can still have a free and fair election in Nicaragua. I am deeply disturbed about the information that we have about voter registration—the physical harassment and violent abuse, and the restriction of United States funds provided in perfect compliance with Nicaraguan law. But I believe in the Nicaraguan people. Their total dissatisfaction with the Commandantes who have ruined their economy and repressed their political rights will give them courage to participate in a free and fair election.

I believe it is our responsibility to do what we can as a nation that has supported freedom and democracy throughout the world to see that the people of this tiny nation also have that opportunity.

Mr. President, I yield the balance of my time.

Mr. ROBB addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. ROBB. Mr. President, I rise today to join my colleagues in saying a few words about the February 25 elections in Nicaragua.

In 24 days, the Nicaraguan people are going to have the opportunity to vote in elections. For more than a decade this country has been wracked by conflict, and the people have been denied their right of self-determination, fighting first for democracy against a dictatorship of the right, now fighting for democracy against a dictatorship of the left.

Free and fair elections are the best hope for bringing reconciliation to this country, and to enable the people of Nicaragua to move on and confront the pressing needs of economic development and reconstruction.

I am troubled, however, by irregularities in the electoral process. It is not enough that the people will be able to vote on election day. This, in itself, will not make a truly free election.

Before casting their votes, the people must be able to campaign vigorously, openly, without any fear of intimidation. If they are denied this right, the government that emerges out of the election will be perceived to lack legitimacy. As a result, Nicaragua's troubles could well be perpetuated. The process of normalizing United States-Nicaraguan relations will be hindered.

So I join my colleagues today in calling on the Sandinistas to end their acts of intimidation, and to let their people truly exercise self-determination, as others are finally doing in so many other corners around the world.

Consider one troubling report. The Organization of American States in its January 10 election report speaks of a pattern of intimidation. The threat of job loss, damage to individual property, even death, have led to massive resignation of opposition candidates—191 opposition candidates all-told. The OAS speaks of "hidden causes." Other election observation groups have been blunter, concluding that the resignations occurred under pressure. This is but one example of the kind of irregularity that could tarnish a free election.

It is no secret that outright physical intimidation has been employed by the Sandinistas. The Center for Democracy's bipartisan election monitoring delegation witnessed one such event. On December 10, they saw the Turbas Divinas, the Sandinista gangs, attack UNO supporters at a rally. There was one death, and numerous injuries. Many other incidents have been reported by reliable sources.

Most recently, the Puebla Institute, a lay Roman Catholic human rights group, issued a January 25 report documenting flaws in the election process that threaten to undermine the legitimacy of the election. This report speaks of intimidation, lack of safeguards to ensure a clean vote, and an uneven playing field.

On this final point, the Sandinistas have prevented assistance from reach-

ing the democratic opposition that we in this Congress appropriated to aid the election process.

UNO, and the Institute for Electoral Training and Promotion, have reportedly received only \$200,000 of the approved \$3.3 million that was slated to reach them, and this was released by the Sandinista authorities only last week. It is little wonder that the Sandinistas, who control the instruments of the state, have outspent UNO by at least 5 to 1.

Absent a level playing field, we will not witness a true expression of the will of the Nicaraguan people.

Many in this body already know that Members of Congress have been unable to witness the election process. I was one of many in the Congress whose visa was turned down.

Mr. President, this is an important moment in Nicaraguan history. It is reported that political prisoners are going to be released. This is a helpful step, but much damage to the process has already been done, and time is running out.

Nicaragua has the opportunity to move on to a new chapter, one marked by development and not civil war, and characterized by membership in the community of democratic nations rather than by international isolation. But to do so, the Sandinistas must take every step to correct the pattern of electoral violations that may deny the people of Nicaragua their just due.

In the remaining weeks, I hope that we can witness the open political process that all of us, on both sides of the aisle, and the Nicaraguan people themselves, have so long called for.

APPOINTMENT BY THE PRESIDING OFFICER

The PRESIDING OFFICER. The Chair, pursuant to Senate Resolution 382, 90th Congress, as amended by Public Law 100-696, announces that the following Senators, pursuant to the positions that they hold, are members of the Senate Commission on Art for the 101st Congress: the Senator from Maine [Mr. MITCHELL], Chairman; the Senator from Kansas [Mr. DOLE], Vice Chairman; the Senator from West Virginia [Mr. BYRD]; the Senator from Kentucky [Mr. FORD]; and the Senator from Alaska [Mr. STEVENS].

Mr. President, observing no other Senator requesting the floor, 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. BRYAN. 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. BRYAN. Mr. President, I ask unanimous consent for time to proceed as if in morning business for a period of time not to exceed 5 minutes.

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

The Senator from Nevada is recognized.

Mr. BRYAN. I thank the Chair.

(The remarks of Mr. BRYAN pertaining to the introduction of S. 2057 and S. 2058 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. BRYAN. Mr. President, if there is no one else who seeks recognition on the floor at this time, 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. D'AMATO. 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. D'AMATO. Mr. President, is it permissible for the Senator from New York to proceed as if in morning business?

The PRESIDING OFFICER. The Senator may proceed.

A BOLD MOVE BY PRESIDENT BUSH

Mr. D'AMATO. Mr. President, last evening we were gathered together in the Congress and as a nation to hear our President. Various interpretations were made by Members of the Congress and by the media as to the content of our President's State of the Union Address.

I would like to just make an observation as it relates to what I feel was a bold move by our President. President Bush's call for a reduction of troop strength in central Europe to 195,000 on both sides was a bold step. It is one that sets the stage and it is important.

It is important for us to come to a realization and a recognition of whether or not the Soviets and Mikhail Gorbachev are capable of bringing about this kind of transformation.

We have heard a lot of talk about the peace dividend and the savings, hopefully, that we can make as it relates to the reduction of armaments. I hope there will be a peace dividend. But we have to have the courage to recognize whether or not it is realistic or just our hope, a dream.

I think by the President putting forth a proposal by which we can really begin to bring troops home, reduce costs, and give the Soviets that opportunity so more than both our nations can prosper, can indeed be a dividend, a dividend in the investment in mankind, an investment to see to it

that future generations will be given the opportunity to live in freedom.

I think it is time for President Gorbachev to join with President Bush not just in rhetoric, but in a timetable to complete this withdrawal. Indeed, I, for one, have heard a lot of rhetoric and people are hopeful that maybe the Soviet Union's best chance is Mr. Gorbachev's success, and it may be that it is ours.

But I think that President Bush struck the right note in saying let us bring home the troops, let us reduce the levels, let us see whether or not there is in reality the opportunity for that peace dividend.

We have people spending it. We need more for education. We need more as it relates to the battle against the scourge of drug addiction. We need to reduce our expenditures so we can get the deficit down. My God, we have got great challenges as it relates to the environment and how do we protect it.

So Mr. President, I hope that a check and a dividend will be in the mail next month or next year. And when we open that envelope, it will be a dividend that we can utilize for the various purposes, laudatory purposes, that so many of my colleagues and so many of mainstream America hope for.

That brings me to another point. I think all too often there are many who underestimate George Bush. Certainly Manuel Noriega did. He did not recognize that our President would take up the challenge in the bold and forthright way that he did.

I think George Bush understands the mainstream of America and his challenge was put forth to attempt to provide that peace dividend, which can only come about by action. I have not seen the Soviets to date take one tank or one division out of Poland, out of Czechoslovakia, out of Hungary. We hope that it will come to pass. I think our President's action is a bold one that will create the stimulation to make that possible.

I have to make this observation. I certainly hope that President Gorbachev is sincere in his rhetoric, in his proposals, and that he will have the ability and the strength to bring about that kind of reduction that will lead in the future to these kinds of actions that will make possible that so-called dividend.

Too many people are already spending it. I get reporters who talk to me, "Well, my gosh, we can dismantle the Army, we can reduce these large expenditures, and we can apply these moneys to various programs." But I think, as it relates to reality, we have an opportunity, but we also have an obligation to see whether or not there is reality behind these so-called dreams and these hopes and these aspirations.

I commend the President for putting forth his proposal in the manner and the way in which he did, and I do hope that President Gorbachev has the ability to follow through.

I yield the floor.

PROPOSING A \$169 BILLION PEACE DIVIDEND OVER THE NEXT 5 YEARS

Mr. KENNEDY. Mr. President, the world has changed. Democracy is bustin' out all over Eastern Europe. The Soviet threat is not just walking to the exit—it is running to the exit.

In fact, it is already at its lowest point since World War II. The only thing that has not changed is President Bush's budget for defense.

The President of the United States has sent Congress a preposterous defense budget that pretends 1989 never happened.

In current dollars, the Bush defense budget is still going up—and I say it ought to be going down.

What America needs now is bold leadership on defense, not cold leftovers from the Right Wing's cold war kitchen. And if President Bush will not supply that leadership, Congress should.

True, the President's budget makes what economists call cuts in real terms in military spending. In other words, the President's budget for the Pentagon is going up—but it is not going up fast enough to keep pace with inflation. Pity the poor Pentagon.

These so-called cuts by the administration represent simply one more year of the same old path of slightly declining real military spending that Congress began in 1985. That was the year when we finally could no longer swallow the Reagan military buildup—and the Defense budget has been following this ever so gradually declining path ever since.

It is futile to debate whether that path was a mistake for 1986, 1987, 1988, and 1989. But it is a path to nowhere in 1990. Deeper reductions—much deeper reductions—in spending for defense are not only possible. They are necessary.

I want to say what virtually everyone else in Congress knows. There really is a peace dividend, unless we throw it away. Peace is at hand—and the peace dividend should be close behind.

Today, I propose a Democratic alternative to the Bush defense budget. I propose to cut military spending in real terms by 7 percent in 1991—and by 5 additional percent each year every year through 1995.

It is time to declare a major peace dividend for America and the American people. The peace dividend I propose will be worth a total of \$169 billion in budget authority and \$139 billion in outlays over the next 5 years.

If the cold war continues to thaw, if democracy continues to flower in Eastern Europe, if arms control and troop reductions continue to reduce the Soviet threat, we will be able to make even deeper cuts in defense spending farther into the future.

But even if we hold only to the same pattern of 5-percent cuts through the year 2000, the additional savings in that second 5-year period will be substantially larger than the savings through 1995.

The reductions I propose now will return us by 1995 to approximately the defense spending levels of the post-Korea and post-Vietnam years. We need to reach those levels as soon as possible—and it may turn out that we can reach them even sooner than 1995.

But given the dramatic and essentially irreversible decline in the Soviet threat, the proposal I am making today is a safe and entirely sufficient level for defense spending in the next 5 years.

Now is the year to begin. Each dollar we cut from the Pentagon in the current year will have ripple effects in the future, and bring larger peace dividends in the years ahead.

I am not here to deny President Reagan the credit he may deserve for the military buildup of the 1980's. Perhaps that buildup did hasten the end of the Soviet empire and the beginning of glasnost and perestroika. But America paid a high price here at home for that massive military buildup—and it is long past time for America to address the worsening challenge of our enormous unmet national needs.

All President Bush has offered is a warmed over cold war budget whose reductions are inadequate. We must begin—and begin now—to wage the real battles that matter most for our future—the battles to reduce the deficit, to educate our children, to win the war on drugs, to clean up our environment, to invest in our future, to provide decent health care for all citizens and long-term care for our senior citizens, and to reduce the excessive tax burden on millions of hard-working American families. The list of challenges goes on and on—it is time America got to work to meet them.

I ask that certain tables referring to this subject be printed in the RECORD.

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

Defense Budget

Fiscal year:	Billions
1980.....	\$143.9
1981.....	180.0
1982.....	216.5
1983.....	245.0
1984.....	265.2
1985.....	294.0
1986.....	289.1
1987.....	287.4

1988.....	292.0
1989.....	298.8
1990.....	301.6

Defense Spending Historical Comparison
[Constant fiscal year 1991]

Fiscal year:	Billions
1945.....	\$451.8
1946.....	406.8
1947.....	84.6
1948.....	79.7
1949.....	94.3
1950.....	122.9
1951.....	354.8
1952.....	428.4
1953.....	364.5
1954.....	257.2
1955.....	215.4
1956.....	216.8
1957.....	233.8
1958.....	226.3
1959.....	241.0
1960.....	232.7
1961.....	236.2
1962.....	260.8
1963.....	266.0
1964.....	252.2
1965.....	240.3
1966.....	284.9
1967.....	310.4
1968.....	314.9
1969.....	306.0
1970.....	274.4
1971.....	249.1
1972.....	239.6
1973.....	228.5
1974.....	217.1
1975.....	209.3
1976.....	219.5
1977.....	231.5
1978.....	227.6
1979.....	226.2
1980.....	230.6
1981.....	261.3
1982.....	292.5
1983.....	318.6
1984.....	335.0
1985.....	360.7
1986.....	344.9
1987.....	332.6
1988.....	326.1
1989.....	322.2
1990.....	315.8

PEACE DIVIDEND

[In billions of dollars]

Fiscal year	Budget authority			Outlays		
	Bush plan	Alter-nate plan	Peace divid-ent	Bush plan	Alter-nate plan	Peace divid-ent
1990.....	302	302	15	296	296	11
1991.....	307	292	25	303	292	20
1992.....	313	288	34	309	283	29
1993.....	318	284	43	312	282	34
1994.....	322	279	52	316	274	45
1995.....	326	274	52	319	274	45
Total savings:						
Budget authority.....			169			
Outlays.....						139

Mr. KENNEDY. I yield the floor.

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

The PRESIDING OFFICER (Mr. BRYAN). The absence of a quorum having been suggested, the clerk will call the roll.

The bill 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. With-out objection, it is so ordered.

PROGRESS IN AERONAUTICS AND SPACE—MESSAGE FROM THE PRESIDENT—PM 82

The PRESIDING OFFICER laid before the Senate the following mes-sage from the President of the United States, together with an accompany-ing report; which was referred to the Committee on Commerce, Science, and Transportation:

To the Congress of the United States:

I am pleased to transmit this report on the Nation's progress in aeronau-tics and space during calendar year 1987, as required by section 206 of the National Aeronautics and Space Act of 1958, as amended (42 U.S.C. 2476). Aeronautics and space activities cut across many sectors of our Federal Government, and this report high-lights the major programs of the 14 contributing departments and agen-cies, with the National Aeronautics and Space Administration (NASA) and the Department of Defense (DOD) the major contributors.

In 1987, as furtherance of the recov-ery of our space launch capability, studies were completed concluding that a mixed fleet, consisting of the space shuttle and expendable launch vehicles, would be required for contin-ued U.S. operations and access to space. Remote sensing capability con-tinued to make impressive progress to further our understanding of the ozone depletion in the atmosphere, the impact of weather patterns on ag-riculture, and the damage to the forest ecosystem caused by acid deposition. A new initiative was launched to study the Earth system, including the oceans and the atmosphere, on a worldwide scale.

During the year, technology prod-ucts continued to flow to the user in-dustries. Results of aeronautics re-search reached a new level of applica-tion. The NASA-developed computa-tional fluid dynamics techniques cou-pled with drag reducing concepts were applied to hull/keel design. Aircraft safety continued to receive priority, with requirements being levied for equipment to alert pilots of collision threat.

The defense of our country was en-hanced by the successful demonstra-tion of target interception in space. Great strides were made as the United States moved closer to agreement with its partners in the permanently oc-cupied space station project. Bilateral and multilateral discussions on space arms control were held in Geneva. Be-cause of advances made in worldwide communications, information on space technology and exploration is now reaching 134 countries and in 44 lan-guages.

There is great promise in our Na-tion's vision to be at the forefront of advancement in aeronautics, space sci-ence, and exploration, for it is this ad-vancement that ultimately makes a significant contribution to the quality of life on Earth. Our challenge is to continue on an aggressive course of ex-ploration that will provide the interna-tional leadership and climate for coop-eration for which this great Nation has become so well known.

GEORGE BUSH.

THE WHITE HOUSE, February 1, 1990.

SAVINGS AND ECONOMIC GROWTH ACT OF 1990—MES-SAGE FROM THE PRESIDENT—PM 83

The PRESIDING OFFICER laid before the Senate the following mes-sage from the President of the United States, together with accompanying papers; which was referred to the Committee on Finance:

To the Congress of the United States:

I am pleased to submit for your con-sideration and passage the "Savings and Economic Growth Act of 1990." This legislative proposal would enact a permanent reduction in the capital gains tax rate, establish a new family savings program, and permit penalty-free Individual Retirement Account (IRA) withdrawals for first-time home buyers.

This proposal would encourage sav-ings, investment, and economic effi-ciency, thereby creating jobs and pro-viding other economic benefits to all citizens.

A permanent tax rate reduction for capital gains will lower the cost of cap-ital and provide an incentive for long-term investment in the American economy that will create jobs and make American business more com-petitive in the international economy.

A new Family Savings Account will give most American families an oppor-tunity to save through a simple and understandable tax-exempt savings in-centive program. The resulting savings boost will also strengthen our econ-omy and create jobs and opportunity for all Americans.

Permitting Americans to withdraw funds from their IRAs prior to retire-ment without penalty for the pur-chase of their first home will assist in-dividuals in saving for that first home, while providing additional stimulus to the construction of affordable housing in our country.

I look forward to working with the Congress on these important matters.

GEORGE BUSH.

THE WHITE HOUSE, February 1, 1990.

REPORT ON GENERALIZED SYSTEM OF PREFERENCES—MESSAGE FROM THE PRESIDENT—PM 84

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Finance:

To the Congress of the United States:

I transmit herewith my report on the Generalized System of Preferences, pursuant to section 505(b) of the Trade Act of 1974, as amended (19 U.S.C. 2465(b)).

GEORGE BUSH.

THE WHITE HOUSE, February 1, 1990.

REPORT OF THE INTERAGENCY ARCTIC RESEARCH POLICY COMMITTEE—MESSAGE FROM THE PRESIDENT—PM 85

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Governmental Affairs:

To the Congress of the United States:

Pursuant to the provisions of section 108(b) of Public Law 98-373 (15 U.S.C. 4107(b)), I transmit herewith the Third Biennial Report of the Interagency Arctic Research Policy Committee (February 1, 1988, to January 31, 1990).

GEORGE BUSH.

THE WHITE HOUSE, February 1, 1990.

MESSAGES FROM THE HOUSE

ENROLLED JOINT RESOLUTIONS SIGNED

At 12:47 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolutions:

S.J. Res. 130. Joint resolution designating February 11 through February 17, 1990, as "Vocational-Technical Education Week"; and

H.J. Res. 149. Joint resolution designating February 16, 1990, as "Lithuanian Independence Day."

At 2:32 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following joint resolution, without amendment:

S.J. Res. 130. Joint resolution designating February 11 through February 17, 1990, as "Vocational-Technical Education 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-2246. A communication from the Chief Financial Officer, Department of State, transmitting, pursuant to law, a report on certain violations of the Anti-Deficiency Act; to the Committee on Appropriations.

EC-2247. A communication from the Acting Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Army's proposed letter of offer to Egypt for defense articles estimated to cost in excess of \$50 million; to the Committee on Armed Services.

EC-2248. A communication from the Chairman of the Consumer Product Safety Commission, transmitting, pursuant to law, the annual budget request of the Commission for fiscal year 1991; to the Committee on Commerce, Science, and Transportation.

EC-2249. A communication from the Administrator of the Federal Aviation Administration, transmitting, pursuant to law, a report of progress on developing and certifying the traffic alert and collision avoidance system for the period of September through December 1989; to the Committee on Commerce, Science, and Transportation.

EC-2250. A communication from the Secretary of the Interstate Commerce Commission, transmitting, pursuant to law, a report on an extension of the period of time for a decision in Intermountain Western Railroad Co.—purchase—Union Pacific Railroad Co., Boise Group Branch Lines; to the Committee on Commerce, Science, and Transportation.

EC-2251. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-2252. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-2253. A communication from the Assistant Secretary of the Army (Civil Works), transmitting, pursuant to law, a report of the Chief of Engineers entitled "Local Cooperation Agreements Annual Report"; to the Committee on Environment and Public Works.

EC-2254. A communication from the Administrator of the Federal Highway Administration, transmitting, pursuant to law, the third status report on certain demonstration projects; to the Committee on Environment and Public Works.

EC-2255. A communication from the Assistant Secretary of the Army (Civil Works), transmitting, pursuant to law, a biennial report on projects or separable elements of projects, which have been authorized but for which no funds have been obligated for construction during the preceding ten full fiscal years; to the Committee on Environment and Public Works.

EC-2256. A communication from the Acting Administrator of General Services, transmitting, pursuant to law, an informational copy of a report of building project survey for Boston, MA; to the Committee on Environment and Public Works.

EC-2257. A communication from the Director of the Arms Control and Disarmament Agency, transmitting, pursuant to law, the fiscal year 1991 Arms Control Impact Statement; to the Committee on Foreign Relations.

EC-2258. A communication from the Secretary of the Treasury as Chairman of the National Advisory Council on International Monetary and Financial Policies, transmitting, pursuant to law, the annual report of the Council for fiscal year 1988; to the Committee on Foreign Relations.

EC-2259. A communication from the Chairman of the U.S. International Trade Commission, transmitting, pursuant to law, the annual report of the commission on competition advocacy for fiscal year 1989; to the Committee on Governmental Affairs.

EC-2260. A communication from the Archivist of the United States, transmitting, pursuant to law, the annual report of the National Archives on competition advocacy for fiscal year 1989; to the Committee on Governmental Affairs.

EC-2261. A communication from the Director of Communications and Legislative Affairs, Equal Employment Opportunity Commission, transmitting, pursuant to law, the annual report of the Commission under the Government in the Sunshine Act for calendar year 1989; to the Committee on Governmental Affairs.

EC-2262. A communication from the Chairman of the National Capital planning Commission, transmitting, pursuant to law, and annual report on the system of internal controls and financial management in place during fiscal year 1989; to the Committee on Governmental Affairs.

EC-2263. A communication from the Secretary to the Railroad Retirement Board, transmitting, pursuant to law, a report stating that there were no actions under the Program Fraud Civil Remedies Act during fiscal year 1989; to the Committee on Governmental Affairs.

EC-2264. A communication from the Administrator of the Small Business Administration, transmitting, pursuant to law, the annual report of the Administration on the system of internal controls and financial management in place during fiscal year 1989; to the Committee on Governmental Affairs.

EC-2265. A communication from the Chairman of the Merit Systems Protection Board, transmitting, pursuant to law, the annual report of the Board under the Government in the Sunshine Act for calendar year 1989; to the Committee on Governmental Affairs.

EC-2266. A communication from the Vice Chairman of the Postal Rate Commission, transmitting, pursuant to law, the annual report on the system of internal controls and financial management in place during fiscal year 1989; to the Committee on Governmental Affairs.

EC-2267. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the annual report on the Foreign Service Retirement and Disability System for fiscal year 1987; to the Committee on Governmental Affairs.

EC-2268. A communication from the Secretary of Education, transmitting, pursuant to law, the annual report of the Department of Education on competition advocacy for fiscal year 1989; to the Committee on Governmental Affairs.

EC-2269. A communication from the Comptroller General of the United States,

transmitting, pursuant to law, a report entitled "Deficit Reductions for Fiscal Year 1990—Compliance With the Omnibus Budget Reconciliation Act of 1989"; to the Committee on Governmental Affairs.

EC-2270. A communication from the Chairman of the Copyright Royalty Tribunal, transmitting, pursuant to law, the annual report of the Tribunal for fiscal year 1989; to the Committee on the Judiciary.

EC-2271. A communication from the Executive Secretary of the National Security Council, transmitting, pursuant to law, the annual report of the Council under the Freedom of Information Act for calendar year 1989; to the Committee on the Judiciary.

EC-2272. A communication from the chairman of the board of directors of the Future Farmers of America, transmitting, pursuant to law, the annual audit report of the Future Farmers of America for the period ended August 31, 1989; to the Committee on Finance.

EC-2273. A communication from the Chief Justice of the United States, transmitting, pursuant to law, an amendment to the Federal Rules of Evidence; to the Committee on the Judiciary.

EC-2274. A communication from the Secretary of Veterans Affairs, transmitting, a draft of proposed legislation to waive the waiting period requirement of section 210(b)(2) of title 38, United States Code, for a planned administrative reorganization involving the Loan Guaranty Division at the Togus Veterans Affairs Medical and Regional Office Center; to the Committee on Veterans Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BIDEN, from the Committee on the Judiciary, with amendments:

S. 458. A bill to provide for a General Accounting Office investigation and report on conditions of displaced Salvadorans and Nicaraguans, to provide certain rules of the House of Representatives and of the Senate with respect to review of the report to provide for the temporary stay of detention and deportation of certain Salvadorans and Nicaraguans and for other purposes (Rept. No. 101-241).

By Mr. KENNEDY, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 845. A bill to amend the Federal Food, Drug, and Cosmetic Act to revitalize the Food and Drug Administration, and for other purposes (Rept. No. 101-242).

By Mr. BIDEN, from the Committee on the Judiciary, without amendment:

H.R. 150. A bill to amend the Immigration and Nationality Act to provide a procedure for an alien who dies while serving on active-duty with the United States Armed Forces during certain periods of hostilities to be considered a citizen of the United States at the time of the alien's death.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. BIDEN, from the Committee on the Judiciary:

Michael J. Norton, of Colorado, to be U.S. Attorney for the District of Colorado for the term of 4 years;

Walter J. Bamberg, of Alabama, to be U.S. Marshal for the Middle District of Alabama for the term of 4 years;

Donald E. Crowl, of Oklahoma, to be U.S. Marshal for the Northern District of Oklahoma for the term of 4 years;

Charles E. Healey, of New York, to be U.S. Marshal for the Eastern District of New York for the term of 4 years;

Craig L. Meacham, of California, to be U.S. Marshal for the Central District of California for the term of 4 years;

James Y. Stewart, of Michigan, to be U.S. Marshal for the Eastern District of Michigan for the term of 4 years;

Ronald Frank Ederer, of Texas, to be U.S. Attorney for the Western District of Texas for the term of 4 years; and

Robert F. Gilbert, of New Hampshire, to be United States Marshal for the District of New Hampshire.

By Mr. EXON, from the Committee on Armed Services:

The following-named officer for appointment as Chief, National Guard Bureau, under the provisions of title 10, United States Code, section 3040, and appointment to the grade of lieutenant general while serving in this position of importance and responsibility under the provisions of title 10, United States Code, section 601:

To BE CHIEF, NATIONAL GUARD BUREAU

To be lieutenant general

Maj. Gen. John B. Conaway, 315-30-2700FG, U.S. Air Force.

By Mr. NUNN, from the Committee on Armed Services:

Mr. NUNN, Mr. President, from the Committee on Armed Services, I report favorably the attached listing of nominations.

Those identified with a single asterisk (*) are to be placed on the Executive Calendar. Those identified with a double asterisk (**) are to lie on the Secretary's desk for the information of any Senator since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again.

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

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of November 17, 1989, and January 24, 1990, at the end of the Senate proceedings.)

*In the Army Reserve there are 19 appointments to the grade of major general and below (list begins with Francis T. Donohue) (Reference No. 827).

*Lt. Gen. Herbert R. Temple, Jr., USA, to be placed on the retired list in the grade of lieutenant general (Reference No. 845).

*Maj. Gen. James W. Crysel, USA, to be reassigned in the grade of lieutenant general (Reference No. 886).

**In the Air Force Reserve there are 27 promotions to lieutenant colonel (list begins with William G. Bader) (Reference No. 904).

**In the Navy Reserve there are 203 appointments to the grade of captain and below (list begins with Paul Michael Bader) (Reference No. 905).

*Gen. Robert T. Herres, USAF, to be placed on the retired list in the grade of general (Reference No. 954).

*Lt. Gen. Richard A. Burpee, USAF, to be placed on the retired list in the grade of lieutenant general (Reference No. 958).

*Lt. Gen. Robert D. Beckel, USAF, to be reassigned in the grade of lieutenant general (Reference No. 959).

*Vice Adm. Charles R. Larson, USN, to be admiral (Reference No. 971).

*Vice Adm. Paul F. McCarthy, Jr., USN, to be placed on the retired list in the grade of vice admiral (Reference No. 973).

*Rear Adm. Robert J. Kelly, USN, to be vice admiral and to be Senior Navy Member of the Military Staff Committee of the United Nations (Reference No. 974).

**In the Air Force Reserve there are 61 promotions to the grade of colonel (list begins with Ronald R. Anderson) (Reference No. 986).

**In the Air Force Reserve there is 1 appointment to the grade of lieutenant colonel (Consolador C. Palad) (Reference No. 987).

**In the Air Force Reserve there are 12 promotions to the grade of lieutenant colonel (list begins with Anthony Augello) (Reference No. 988).

**In the Air Force Reserve there are 28 promotions to the grade of lieutenant colonel (list begins with Terry L. Anderson) (Reference No. 989).

**In the Air Force Reserve there are 17 appointments and promotions to the grade of colonel and below (list begins with David W. Becker, Jr.) (Reference No. 990).

**In the Air Force there is 1 promotion to the grade of major (Gary J. Moore) (Reference No. 991).

**In the Army there are 6 promotions to the grade of colonel and below (list begins with William J. McDougall) (Reference No. 992).

**In the Army there are 13 promotions to the grade of colonel and below (list begins with Calvin E. Mein) (Reference No. 993).

**In the Army Reserve there are 27 appointments to the grade of colonel and below (list begins with Thomas W. Allen) (Reference No. 994).

**In the Army Reserve there are 11 appointments to the grade of colonel and below (list begins with Larry T. Bourke) (Reference No. 995).

**In the Army Reserve there are 19 promotions to the grade of colonel (list begins with James C. Burke) (Reference No. 996).

**In the Army Reserve there are 24 promotions to the grade of lieutenant colonel (list begins with William B. Banks) (Reference No. 997).

**In the Naval Reserve there are 48 appointments to the grade of lieutenant (list begins with Susan K. Arnold) (Reference No. 998).

**In the Navy and Naval Reserve there are 40 appointments to the grade of commander and below (list begins with Kenneth P. Burns) (Reference No. 999).

**In the Navy and Naval Reserve there are 13 appointments to the grade of commander and below (list begins with T.A. Best) (Reference No. 1000).

**In the Navy there are 152 appointments to the grade of ensign (list begins with David A. Adams) (Reference No. 1001).

**In the Army there are 1,034 appointments in their active duty grade (list begins with Richard A. Akre) (Reference No. 1002).

**In the Air Force Reserve there are 271 promotions to the grade of colonel (list begins with Walter W. Adams) (Reference No. 1003).

**In the Air Force there are 2,020 appointments to the grade of captain (list

begins with Frank Abate) (Reference No. 1004).

** In the Army Reserve there are 616 promotions to the grade of colonel (list begins with Rafael A. Acevedo) (Reference No. 1006).

** In the Army Reserve there are 2,495 promotions and appointments to the grade of colonel and below (list begins with Donald R. Ellis, Jr.) (Reference No. 1007).

** In the Army there are 972 appointments to the grade of second lieutenant (list begins with Albert J. Abbadessa) (Reference No. 1009).

** In the Marine Corps there are 796 appointments to the grade of second lieutenant (list begins with Thomas B. Adair) (Reference No. 1010).

** In the Navy there are 73 appointments to the grade of lieutenant junior grade (list begins with Reynaldo L. Apontecestero) (Reference No. 1013).

Total: 9,007.

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. ROTH:

S. 2049. A bill to authorize the Administrator of the Environmental Protection Agency to take action to encourage the removal of certain model year vehicles from use; to the Committee on Environment and Public Works.

By Mr. KOHL:

S. 2050. A bill to amend title XVIII of the Social Security Act to provide toll-free hot-lines for individuals receiving benefits under such title and to provide increased protection against fraud and abuse with respect to the marketing and selling of Medicare supplemental policies to such individuals, and for other purposes; to the Committee on Finance.

By Mr. HEFLIN:

S. 2051. A bill to amend the Social Security Act to provide for more flexible billing arrangements in situations where physicians in the solo practice of medicine or in another group practice have arrangements with colleagues to "cover" their practice on an occasional basis; to the Committee on Finance.

By Mr. KASTEN:

S. 2052. A bill to amend the Internal Revenue Code of 1986 to reduce the OASDI tax rate, and to remove Social Security trust funds from Gramm-Rudman; to the Committee on Finance.

By Mr. DANFORTH:

S. 2053. A bill to amend certain provisions of title 5, United States Code to provide for an increased maximum rate of pay for specially qualified scientific and professional personnel, and for other purposes; to the Committee on Governmental Affairs.

By Mr. DODD (for himself, Mr. BRADLEY, Mr. ROCKEFELLER, Mr. HARKIN, Mr. D'AMATO, Mr. KOHL, Mr. CONRAD, Mr. LIEBERMAN, Ms. MIKULSKI, Mr. SIMON, Mr. METZENBAUM, Mr. SANFORD, Mrs. KASSEBAUM, Mr. KENNEDY, and Mr. BYRD):

S. 2054. A bill to amend the Public Health Service Act to authorize grants and contracts for projects providing primary pediatric care to disadvantaged children, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. McCONNELL:

S. 2055. A bill to amend the National School Lunch Act to extend eligibility for reimbursement for meal supplements for children in afterschool care, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. HARKIN (for himself, Mr. HATCH, Mr. PELL, Mr. DURENBERGER, Mr. KENNEDY, Mr. COCHRAN, Mr. SIMON, Mrs. KASSEBAUM, Mr. BURDICK, Mr. KERREY, Mr. ADAMS, Mr. CHAFEE, Mr. GRAHAM, Mr. LEAHY, and Mr. HATFIELD):

S. 2056. A bill to amend title XIX of the Public Health Service Act to provide grants to States and implement State health objectives plans, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. BRYAN:

S. 2057. A bill to amend the Securities Exchange Act of 1934; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. BRYAN (for himself, Mr. RIEGLE, Mr. GARN, Mr. DODD, Mr. HEINZ, Mr. CRANSTON, Mr. SHELLEY, Mrs. KASSEBAUM, Mr. KERRY, Mr. D'AMATO, Mr. WIRTH, and Mr. BOND):

S. 2058. A bill to amend the Federal Deposit Insurance Act to regulate certain marketing activities engaged in on the premises of deposit-taking facilities of insured depository institutions; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. BOSCHWITZ:

S.J. Res. 248. Joint resolution to designate the month of September 1990 as "International Visitor's Month"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DeCONCINI (for himself, Mr. DOLE, Mr. KASTEN, Mr. SYMMS, and Mr. GRAHAM):

S. Res. 239. Resolution expressing the sense of the Senate denouncing the military offensive in Angola and urging an immediate ceasefire; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ROTH:

S. 2049. A bill to authorize the Administrator of the Environmental Protection Agency to take action to encourage the removal of certain model year vehicles from use; to the Committee on Environment and Public Works.

REMOVAL OF CERTAIN MODEL YEAR VEHICLES FROM USE

Mr. ROTH. Mr. President, I rise to introduce a piece of legislation which could make a significant contribution to the Clean Air Act.

Mr. President, as we all know, some of the biggest polluters on our Nation's highways and byways are the pre-1980 model year automobiles. As a matter of fact, there are currently 22 million of these cars on the road—cars we often affectionately refer to as clunkers. In fact, according to CRS,

using EPA data, there are 9 million pre-1975 automobiles on the road, which release about 600,000 tons of hydrocarbons into the atmosphere each year. On top of this, there are another 13 million 1976-to-1979 model automobiles on the road that emit another 500,000 tons of hydrocarbons—each and every year.

These statistics are important—very important, since every year we emit 20 million tons of hydrocarbons, and of these 20 million tons, 4 to 5 million come from cars. What's more, roughly 15 to 30 percent of the hydrocarbons emitted each year come from pre-model year 1980 automobiles. In fact, I have heard estimates run as high as 40 percent when one considers evaporative losses and other losses, and it has been stated that about 60 percent of the transportation-sector-hydrocarbon emissions in southern California come from clunkers.

The mobile source provisions of the clean air bill restrict the emissions of new cars—and much has been accomplished over the past years—but the provisions do nothing to get these older polluting cars, or clunkers, off the road.

Because I feel that the contribution to our air problems that comes from these vehicles is significant, my legislation proposes the following:

If an individual has a pre-1980 car and goes to a dealer to buy a new car, I suggest that we give the manufacturer of the new car a credit to its CAFE average.

The CAFE, or Corporate Average Fuel Economy Program, was enacted in 1975, and took effect with the 1978 auto model year. The program requires all car manufacturers to maintain certain minimum fuel mileage averages for their fleet of cars sold in the United States. If a manufacturer's average falls below the mandated average, a penalty is imposed. On the other hand, if the CAFE average exceeds the target figure a credit is granted.

Under my proposed legislation, credits could also be accumulated by the manufacturer as it actually replaces clunkers with new, fuel efficient automobiles. The credit would be based on the difference between the mile per gallon of the old car and the mile per gallon of the new car. The dealer, of course, must provide proof that the engine block and body of the traded-in vehicle are removed from the road permanently, and will never drive again. Those that intentionally do not comply with this provision, will be fined \$2,000 per car. I also propose a sunset on this provision which terminates its operation by December 1993.

Mr. President, according to the California Air Resources Board, when they studied the value of a CAFE credit, in conjunction with the flexible

fuel vehicles, they determined that CAFE credits can be worth up to \$2,000 per car in penalty avoidance costs and other incidentals. I can foresee a scenario where the owners of these clunkers become valuable customers when they drive onto the new car lot looking for a new fuel efficient, low-polluting car. For example the manufacturer could receive a CAFE credit of 30 miles per gallon if he permanently retires the clunker averaging 10 miles per gallon, and sells the customer a car that averages 40 miles per gallon. The low fuel economy of the clunker should also be worth additional dollars toward the downpayment on the new car.

The Congressional Research Service suggests that \$500 to \$1,000 per car could be transferred to the buyer, depending on the CAFE credit. Thus, an individual buying a car with a \$1,000 rebate, and a \$500 trade in value, could have an additional \$1,000 toward the downpayment.

Consequently, the bill is good for everyone—for the manufacturer, the retailer, the owner, but most importantly, for the environment. We need to encourage more fuel efficient, safer, environmentally sound methods of transportation. This would be a very good beginning.

At the moment, I am not bound by hard and fast rules concerning the outline of my proposal and, consequently, I would appreciate the wisdom of my colleagues as we move forward with what I believe is the basics of an idea whose time has come.

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. 2049

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. (a) REGULATIONS.—Prior to the expiration of the 90-day period following the date of the enactment of this Act, the Administrator of the Environmental Protection Agency (hereinafter referred to as the "Administrator") shall issue such regulations as may be necessary to establish and implement a program encouraging the removal from use and the marketplace of motor vehicles manufactured prior to model year 1980.

(b) PROGRAM.—Such program shall include provisions pursuant to which any motor vehicle dealer who receives, as a trade-in on the sale by such dealer of a new motor vehicle, a motor vehicle of a model year prior to model year 1980, may remove such motor vehicle from use and the marketplace.

(c) CERTIFICATION.—Such regulations shall further provide that upon certification by the motor vehicle dealer to the Administrator that the engine block and the chassis of the motor vehicle removed from use and the marketplace have been destroyed in accordance with such program, the manufacturer of the new motor vehicle shall receive a credit to its corporate average fuel economy.

Such credit shall equal the difference between the fuel economy of the new motor vehicle, and the motor vehicle removed from use and the marketplace.

(d) PROOF.—Regulations under this section shall require proof from the motor vehicle dealer that the motor vehicle was destroyed in accordance with the regulation, and that the vehicle's identification number was removed from the registration list of the appropriate State or States.

(e) VIOLATION.—Any person violating a regulation promulgated pursuant to this section shall be subject to a civil penalty assessed by the Administrator in an amount not to exceed \$2,000.

(f) EXPIRATION.—No credits shall be given pursuant to this Act on or after January 1, 1994.

By Mr. KOHL:

S. 2050. A bill to amend title XVIII of the Social Security Act to provide toll-free hotlines for individuals receiving benefits under such title and to provide increased protection against fraud and abuse with respect to the marketing and selling of Medicare supplemental policies to such individuals, and for other purposes; to the Committee on Finance.

MEDIGAP FRAUD AND ABUSE PREVENTION ACT

Mr. KOHL. Mr. President, I rise today to introduce legislation that I believe will help senior citizens purchase Medicare supplemental insurance policies which deliver real protection at an affordable price.

Representative OAKAR is introducing companion legislation in the House and we are hopeful, that with the assistance of the relevant committees, we will enact provisions of these measures during this session.

A recently released report by the AARP concluded that the selection of Medigap insurance is a difficult but necessary choice for the elderly.

In a recent special Committee on Aging hearing in Madison, WI, both consumer and industry witnesses testified to the increasing cost, confusion, and criminality in the current system of Medigap and Medicare supplemental insurance regulation.

I have discussed this with the distinguished chairman of the Senate Special Committee on Aging and Senator PRYOR has indicated his intention to pursue the issue in a March hearing. While part of the solution to this problem can be found in more rigid standards and tougher enforcement, other concerns must be addressed through better consumer education.

Senator ROCKEFELLER has also scheduled a hearing in the Finance Committee. And Congressman ROYBAL, through the House Select Committee on Aging, has conducted several hearings throughout the country, and will most likely be developing legislation.

I look forward to working with each of them to improve the consumer protections established under the 1980 amendments. I am hopeful that some action can be taken in this session that

will check the uncontrolled costs and confusion in the Medicare supplemental health insurance industry.

I urge my colleagues to join me in that effort.

Mr. President, in a recent survey conducted by the American Association of Retired Persons, 82 percent of the respondents indicated that they rely on Medigap policies for protection against the costs of catastrophic illness. Other sources have indicated that, on average, this coverage costs a senior citizen \$800 each year. But as I found out when I chaired an Aging Committee hearing on Medigap insurance in Wisconsin, too often older Americans pay too much and get too little for this coverage. We have not had a comprehensive Federal initiative to reform the \$17 billion Medigap industry since 1980. Our colleague, Senator BAUCUS, led that effort and did an outstanding job of addressing some of the problems we faced then. The Baucus amendments were designed to increase and standardize State regulation of Medigap policies. In addition, his legislation created penalties for abusive Medigap marketing practices and set loss-ratio targets for policies.

Without question, the Baucus amendments significantly improved the quality of Medigap policies in our country and reduced the incidence of abusive insurance marketing. However, in recent years evidence has plainly shown that new problems have developed and we need new solutions to improve the Medigap system—and we certainly do need to improve it, particularly in light of the repeal of the Medicare Catastrophic Coverage Act.

Obviously, the most urgent problem is the constantly rising costs of Medigap policies. A survey by the House Select Committee on Aging revealed that Medigap rates increased anywhere from 9 to 133 percent in 1989—this, despite the expanded Medicare coverage provided by the Catastrophic Coverage Act. And with the repeal of catastrophic, premiums this year are expected to soar even further. As a result of these constantly rising prices, some senior citizens have no choice but to drop their coverage, a situation which more or less forces older Americans to play Russian roulette with their health. We cannot allow this to continue.

Just as importantly, we need to provide senior citizens with the information they need to make sound choices when buying Medigap insurance. Unfortunately, the current range of policy options is highly confusing to many older Americans. Some States have made strong efforts to help senior citizens cut through this confusion. Wisconsin, for example, has allowed the sale of only one type of Medicare supplement since January 1, 1989. All policies sold in the State pro-

vide a package of seven benefits, and insurers may offer any of six additional benefits as riders. While this change is certainly an improvement over the previous situation, this limited standardization of benefits has not eliminated the confusion among senior citizens, nor has it made it possible to purely compare "apples and apples." The State has developed a policy comparison chart that is supposed to make it possible to easily compare the different policies approved for sale in the State. Despite good intentions, the chart just doesn't work. It took one of my staff members 3 full days to break down the benefits offered by these policies and choose the best values. We have recognized a need, but we haven't developed a solution. It is clear that the vast price differential among various comparable policies results from a market that is not controlled by the consumers. To make more intelligent choices, consumers will need better and more comparable information.

We also must enact and enforce stiffer penalties to punish those insurance agents who use deceptive and fraudulent marketing tactics. I was horrified to learn of the abuses in the Medigap marketplace. In Wisconsin, the Medicare part B annual deductible of \$75 is being sold as a rider for as much as \$105. It seems to me that if a scrupulous agent informed a customer that the value of that rider was only \$75, the customer wouldn't pay \$105 for it. Representative WYDEN has indicated strong interest in this whole area of indemnity and dread disease policies and I am hopeful that something can be done in this area to curb abuses.

Another incredible practice in my State is the switching of policies by some independent agents. Agents are sometimes paid as much as 75 percent of the first year premium for selling a Medigap policy. After 6 to 9 months, because of pre-existing conditions terms, the agent returns to the same consumer and convinces the senior citizen to switch policies—not necessarily because the second product more appropriately addresses the health needs of that senior citizen, but rather because if the agent sells that new policy, he or she can again collect a 75-percent commission. The National Association of Insurance Commissioners has recently strengthened model standards in this regard, but I would hope that Congress would look very carefully at this issue and determine if there is an appropriate Federal role in curbing the financial incentive for unscrupulous agents.

I think the most disturbing testimony submitted at the hearing I held in Wisconsin concerned elderly women, especially those living alone in rural areas of the State. Many of them have as many as three or four overlapping

policies. They are paying exorbitant sums of money for coverage they don't need. Why? Because they are easy targets for a visiting salesperson, who by taking advantage of the loneliness of an isolated elderly person, can almost always sell that senior citizen an unneeded product. This is outrageous. Since 1980, we have had penalties for fraudulent activities connected with the sale of Medigap policies. Nonetheless, it is estimated that senior citizens spend \$3 billion each year buying duplicative or useless Medigap policies.

I realize that most insurance agents are responsible and make every effort to maintain high ethical marketing standards. However, those unscrupulous agents who violate the established Medigap marketing rules continue to drain the pockets of those who live on fixed incomes. Those agents prey on the fears of elderly Americans. Their crimes are unconscionable; and so are the lame efforts we put into investigating these abuses and the minimal punishments we impose when we do catch someone. The semantic loophole in existing law is big enough to let a barnyard of animals continue business as usual. It is time to state emphatically that the sale of duplicative policies will not be tolerated. Duplicative should be understood to mean duplicative in any way. Enough horsing around the edges of this debate.

In short, the current Medigap system in our country is plagued by costs, confusion, and criminality. What can be done to reform this industry?

First, we must do a better job of curbing the marketing abuses and enforcing existing law. The Medigap Fraud and Abuse Prevention Act would help to address the problems of rising Medigap premiums and fraudulent marketing practices. This legislation would amend the Social Security Act to increase the current loss-ratio requirement for individual Medigap policies from 60 to 70 percent. The loss-ratio of a Medigap product line measures the percentage of premiums returned to policyholders as benefits. According to a 1986 GAO study, most individual Medigap policies fell below the current Federal target of 60 percent. This measure would also call for a GAO study of the actual ratios of benefits-to-premiums collected and the effectiveness of State enforcement of minimum loss ratios. And it would make the Secretary's certification of a State's plan contingent on enforcement of the Federal loss-ratio standards. I do have concerns about the lack of precision of the loss-ratio measurement as a tool. At the same time, it seems to be one of the only mechanisms we have to help consumers get a fair return on the billions of dollars worth of insurance purchased each year.

To combat unethical Medigap marketing practices, this legislation would increase civil penalties for insurance agents who use fraudulent and deceptive practices to sell policies. Under current law, Medigap fraud carries a maximum fine of \$5,000. My legislation would increase the maximum penalty to \$25,000, providing a much stronger disincentive for agents to knowingly sell duplicative coverage. In addition, this legislation would tighten current law to forbid agents from knowingly selling policies that duplicate a beneficiary's current coverage in any way.

Finally, this bill would require States to either approve or disapprove premium increases and would make the deeming of a State's plan contingent on such process being in place. Two-thirds of the States already require approval of increases in individual plans. But the vast majority of States do not have such a plan in place. In fact many States do not even require notice of premium increases for group policies.

The second part of a comprehensive approach to Medigap reform must deal with the education of the consumer. Informed consumers are the key to a free and competitive marketplace. Wise shopping can keep prices down and reduce overall health care inflation. At the same time, there is no real value in reams of policy information provided after the purchase of policies. Additionally, we must question the power of such printed material in contrast to a one-on-one sales situation. In testimony submitted at the Madison field hearing, it was clear that one woman had four policies because she liked the company provided her by the salespeople. To counteract that, we will need to do a more effective job of providing one-on-one benefits counseling. In my own State of Wisconsin, there is a toll-free Medigap hotline administered by the State Board on Aging and Long Term Care. The Medigap hotline is a source of objective, unbiased information and individual counseling about Medicare supplemental health insurance. The toll-free number is printed on policy comparison and insurance advice brochures produced by the Office of the Commissioner of Insurance. Thousands of Wisconsin residents become aware of the existence of area agency on aging benefit specialist services through an original contact with the hotline. Each county agency on aging has a fully trained benefit specialist, or "tape-cutter", that counsels senior citizens on a wide-array of services, including Medigap and Medicare supplemental insurance policies.

The availability of counseling services is a critical component of any measure to protect consumers from the confusion in the Medigap indus-

try. This is an area in which the distinguished chairman of the Special Aging Committee has a special interest and I look forward to working with him and our colleagues in making such services universally accessible.

Mr. President, when Congress repealed the Catastrophic Coverage Act, it increased the reliance of older Americans on Medicare supplemental insurance. Given the problems with the Medigap industry today, we must take action to protect senior citizens from the costs, confusion, and criminality of this system. I urge my colleagues to support these timely and needed measures. Again, I would also like to thank Senator PRYOR for his leadership and interest in this critical issue. Without his assistance, and certainly his support of the Aging Committee field hearings, I would not have been able to introduce this proposal for consideration.

In closing, I ask unanimous consent that the text of this bill, as well as a recent summary of the issue prepared by the American Association of Retired Persons, be printed in the RECORD.

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

S. 2050

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 "Medigap Fraud and Abuse Prevention Act of 1990".

SEC. 2. MEDIGAP FRAUD AND ABUSE PROTECTIONS INCREASED.

(a) **CIVIL PENALTIES INCREASED.**—Section 1882(d) of the Social Security Act (42 U.S.C. 1395ss(d)) is amended by striking "\$5,000" each place it appears and inserting "\$25,000".

(b) **PROTECTION AGAINST DUPLICATION OF POLICY INCREASED.**—Section 1882(d)(3)(A) of such Act (42 U.S.C. 1395ss(d)(3)(A)) is amended by striking "policy substantially duplicates" and inserting "policy duplicates".

(c) **MINIMUM BENEFIT TO PREMIUM RATIO INCREASED.**—Section 1882(c)(2) of such Act (42 U.S.C. 1395ss(c)(2)) is amended by striking "60" and inserting "70".

(d) **ENFORCEMENT OF BENEFIT TO PREMIUM RATIO STRENGTHENED.**—Section 1882(b)(1) of such Act (42 U.S.C. 1395ss(b)(1)) is amended—

(1) by striking "and" at the end of subparagraph (D); and

(2) by adding "and" at the end of subparagraph (E); and

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

"(F) provides for strict enforcement of the percentage requirements described in subsection (c)(2) in place with respect to the actual ratio of benefits provided to premiums collected."

(e) **IMPLEMENTATION OF PROCESS TO IMPROVE PREMIUM INCREASES.**—Section 1882(b)(1) of such Act (42 U.S.C. 1395ss(b)(1)) is amended by subsection (d) of this Act, is further amended—

(1) by striking "and" at the end of subparagraph (E);

(2) by adding "and" at the end of subparagraph (F); and

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

"(G) provides for a process for approving or disapproving proposed premium increases with respect to such policies."

SEC. 3. ESTABLISHMENT OF MEDIGAP TOLL-FREE HOTLINES.

(a) IN GENERAL.—

(1) **GRANTS.**—The Secretary of Health and Human Services (hereinafter referred to as the "Secretary") shall provide grants to States submitting applications to the Secretary which meet the requirements of this section for the purpose of establishing within such States a toll-free telephone hotline to provide individuals with information concerning medicare supplemental insurance.

(2) **AMOUNT OF GRANT.**—The amount of a grant awarded to a State under this section shall be determined by the Secretary in the manner as used by the Commissioner on Aging for determining the amount of allotments under section 304(a) of the Older Americans Act of 1965 (42 U.S.C. 3035 et seq.).

(3) **MATCHING REQUIREMENTS.**—A State receiving a grant under this section shall provide State funds for use in establishing a toll-free hotline in an amount that is equal to the amount of the grant made under this subsection to such State.

(b) **TYPE OF INFORMATION.**—Information to be provided through the use of the toll-free hotline established under subsection (a) shall include—

(1) policy comparison information for all medicare supplemental policies (as described in section 1882(g)(1) of the Social Security Act (42 U.S.C. 1395ss(g)(1))) and long-term care policies available to individuals within the State;

(2) information that will assist individuals in filing claims and obtaining benefits under titles XVIII and XIX of the Social Security Act (42 U.S.C. 1395 et seq. and 1396 et seq.);

(3) information that will assist individuals in filing claims or obtaining benefits under a medicare supplemental policy;

(4) information concerning medicare supplemental policy problem resolution, or appropriate referral of such problems or complaints of the State insurance commissioner or the State attorney general;

(5) information concerning the resources, information, and procedures that are available within the State to assist individuals with questions or complaints concerning health insurance; and

(6) any other information determined appropriate by the Secretary.

(c) TRAINING.—

(1) **INDIVIDUALS ANSWERING HOTLINE.**—The Secretary shall promulgate regulations to insure that individuals providing assistance through the use of the toll-free hotlines established under subsection (a) are adequately qualified to provide such assistance.

(2) **VOLUNTEER ORGANIZATIONS.**—States that receive a grant under this title shall provide training, educational materials, and technical assistance to volunteer organizations that are willing and able to provide medicare supplemental policies and medical assistance eligibility information and counseling to consumers.

(3) **COUNTY BENEFIT SPECIALISTS.**—States that receive a grant under this title shall conduct seminars to provide training to county benefit specialists in local welfare area agencies on aging concerning the toll-free hotline established under subsection (a)

and the location and functions of State agencies and offices.

(d) **EDUCATIONAL BROCHURE.**—Not later than 180 days after the date of enactment of this section, each State that receives a grant under this title shall, through the State commissioner of insurance, develop and disseminate a medicare supplemental policy educational brochure that shall summarize the information described in subsection (b)(1). Such brochure shall be distributed with each medicare supplemental policy inquiry or application made to an insurance carrier within the State. The State toll-free number described in subsection (a) shall be clearly printed on the front page of the brochure.

(e) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated from the Federal Supplementary Medical Insurance Trust Fund to carry out this section, \$5,000,000 for each of the fiscal years 1991 through 1993.

SEC. 4. GAO STUDY AND REPORT ON STATE ENFORCEMENT OF FEDERAL MEDIGAP REQUIREMENTS AND PENALTIES.

(a) **STUDY.**—The General Accounting Office shall conduct a study on State efforts in enforcing the standards and requirements set forth in section 1882(c) of the Social Security Act with respect to the issuance and marketing of medicare supplemental policies within each State. The study shall further evaluate efforts with regard to imposing civil or criminal penalties under section 1882(d) of the Social Security Act with respect to persons found guilty of violating any of the provisions described in such section. Such study shall further evaluate the ratio of benefits to premiums collected with respect to the supplemental policies described in section 1882, and the effectiveness of State enforcement of such ratios.

(b) **REPORT.**—The General Accounting Office shall no later than July 1, 1990, submit a report to Congress summarizing the findings of the study described in subsection (a), including legislative recommendations on strengthening and improving the enforcement of the fraud and abuse provisions provided for in section 1882 of the Social Security Act and recommendations on improving enforcement of benefit to premium ratio requirements.

CONSUMER AWARENESS OF MEDIGAP INSURANCE: FINDINGS OF A NATIONAL SURVEY OF OLDER AMERICANS

BACKGROUND

Medicare supplemental, or "Medigap," insurance is intended to cover certain hospital and other medical costs of older Americans that Medicare does not pay. However, increasing medical costs, complexities of the Medicare/Medicaid programs, and government regulation of the insurance industry have combined to make the selection of Medigap insurance a difficult but necessary choice for the elderly.

Given the changing marketplace and regulatory structure, rising medical costs, and continued reporting of sales abuses, the American Association of Retired Persons believed that additional research into the area of Medigap insurance was needed. Therefore, to investigate older Americans' current level of awareness, experiences, experience, and satisfaction with Medicare supplemental insurance, AARP's Consumer Affairs Section, in cooperation with AARP's Health Care Campaign, commissioned Market Facts to conduct a national survey of individuals

65 years and older, with supplementary samples from six selected bellwether states—California, Florida, Illinois, New York, Pennsylvania, and Texas. Qualified respondents were identified from a sample pool obtained from Market Facts' weekly, national omnibus telephone survey, TeleNation. Respondents for this study were questioned in a 20 minute telephone interview. Interviews were conducted in January and February 1989.

The information objectives of this survey have been:

To determine the types of health insurance coverage older Americans have.

To determine the characteristics of Medigap insurance policies owned by older Americans including the types of policies owned, the amount of premiums paid annually, and the extent of excessive or insufficient coverage.

To ascertain the circumstances surrounding the purchase of Medicare supplemental insurance including how the policy was purchased, the sources of information consulted before the purchase, important factors considered in the purchase decision and whether the respondent felt pressured to buy the policy.

To learn about consumers' experiences in filing insurance claims and measure their level of satisfaction with their policies.

To assess older persons' exposure to promotional efforts aimed at selling Medigap insurance policies.

To determine the consumers' knowledge and level of awareness of the changes in Medicare coverage due to the Medicare Catastrophic Act of 1988.

EXECUTIVE SUMMARY

I. Health Insurance Coverage

Sixty-two percent of the respondents in the national sample paid less than \$200 out-of-pocket for prescription drugs and medical bills during 1988, about 22% paid between \$200 and \$499, and 16% paid \$500 or more.

Eighty-two percent of respondents in the national sample said that they had a health insurance policy in addition to Medicare or Medicaid that would pay their doctor's or hospital expenses, 17% had no additional health insurance policy, and 1% did not know. Projected to the U.S. population 65 and older, an estimated 24.5 million persons have an additional policy. There appears to be a link between owning an additional health insurance policy and household income, sex of respondent and level of education.

Fifty-one percent of those surveyed who are covered by Medicaid, a government program which pays medical bills for low income persons who qualify, also purchase private health insurance. Nationwide, between 1.5 million and 2 million Medicaid recipients 65 and over are projected to have private health insurance.

More than 10% of those surveyed, an estimated additional 3.2 million persons, have no private health insurance and do not qualify for Medicaid coverage.

Respondents in the national sample have an average of 1.3 additional policies—a projected 31.8 million policies among persons 65 years and older.

Three-fourths of the respondents in the national sample who have an additional policy have a Medigap or Medicare Supplemental policy.

Twenty-four percent of those owning insurance in addition to Medicare own two or more policies.

Medigap policies are by far the most common type of supplemental health insur-

ance. Of those owning insurance in addition to Medicare, 75% own Medigap policies. Of these, 7% own two or more Medigap policies.

Eleven percent of those owning insurance beyond Medicare own a hospital indemnity policy.

Nine percent of those owning insurance beyond Medicare own a "dread disease" policy.

Five percent of those owning insurance beyond Medicare belong to an HMO.

II. Factors Surrounding Purchase of the Most Recently Obtained Medigap Insurance Policy

About one-third of the respondents who have a Medigap policy purchased their current policy prior to 1980. Almost one-third (30%) more purchased their policy in 1987 (13%) and 1988 (17%).

Thirty-nine percent of respondents had a group policy sponsored by an employer, 18% had a group policy sponsored by another party such as a membership organization, and the remaining 43% owned an individual policy.

Medigap policies were most likely to cover expenses for hospital care and physician care in the office and hospital. Respondents were generally not knowledgeable about coverage of most other types of medical expenses.

Respondents paid an average of \$705 annually in premiums for their Medigap policies.

Forty-three percent of respondents purchased their Medigap policy through the mail, and about one-third (34%) purchased their policy from an agent.

Material describing a specific policy (31%), family/friends (27%) and the insurance agent (22%) were the most commonly used sources for obtaining information about the policy purchased.

Nearly one-half (48%) of the respondents in the national sample reported that the coverage of items not paid for by Medicare was an important factor in the policy purchase decision, followed by one-third who mentioned the cost of premiums as an important factor.

III. Experience with Medigap Insurance Policy Coverage

About two-thirds (69%) of respondents in the national sample had filed a claim under their Medigap policy. Eighty-seven percent of respondents who had ever filed a claim under their policy filed one during the past year, with an average of 5.8 claims filed.

Ninety-five percent of the respondents who had filed a claim reported being satisfied with the handling of their claim(s).

Seven percent of Medigap policy owners, or an estimated 1.3 million persons, had never made a complaint about their policy. Respondents had complaints due to a variety of reasons.

IV. Exposure to Promotional Efforts for the Sale of Medigap Insurance Policies

Thirteen percent of respondents in the national sample had talked to an insurance agent about a Medigap policy during the past year. Most respondents (85%) had received material in the mail about Medigap coverage.

Most respondents did not request contact with an insurance agent or that material about Medigap insurance be sent to them. However, those who were contacted by an agent were more likely to have requested the contact (29%) than were those who were contacted by mail (5%).

Most respondents (73%) reported having seen or heard celebrity endorsements for Medigap policies. Ninety-two percent said they did not believe that a celebrity endorsement for a policy meant the policy is better than other similar policies.

V. Knowledge and Awareness of Changes in Medicare Coverage

Almost three-fourths (72%) of respondents in the national sample said they were aware that their Medicare coverage had improved as of January 1, 1989. However, the awareness was linked to income, age and sex of the respondent.

Respondents did not seem to be knowledgeable about specific changes in Medicare coverage. In response to a series of ten true/false questions, only one of the questions was answered correctly by more than half of the respondents and three additional questions were answered correctly by 40% or more of the respondents. Respondents were most knowledgeable about prescription drug coverage (55% answered correctly), coverage of stay in a hospice (45% answered correctly), and coverage of skilled nursing care in the home (43% answered correctly).

Twelve percent of respondents in the national sample, or an estimated 3.6 million persons 65 and older, reported that they had been contacted by an insurance company about either modifying a current Medigap policy or buying a Medigap policy due to the changes in Medicare coverage.

Just over half (52%) of respondents felt they were very well protected against high health care costs, 39% believed they had some protection, and 9% thought they were poorly protected. Feelings of being very well protected were linked to demographic characteristics such as income, sex of respondent and region of the country where the respondent lived, as well as other factors such as self-appraisal of their health, whether they had health insurance in addition to Medicare, and whether they were aware of the improvements in Medicare coverage.

Mr. PRYOR. Mr. President, I would like to take this opportunity to applaud Senator KOHL's ongoing efforts and commitment to address the complexities of health coverage for older Americans. We all have been exposed to the many problems and confusion surrounding the Medigap supplemental insurance market, but Senator KOHL has been a leader in developing ways to address the problem.

Senator KOHL was the first Senate Special Committee on Aging member to hold a field hearing on the problems surrounding Medigap. His hearing last December shed light not only on the skyrocketing cost increases that have followed the repeal of the Medicare Catastrophic Coverage Act, but also on the degree of marketing abuse that continues despite Federal and State regulatory efforts.

Senator KOHL's Medigap field hearing focused attention on the need for accurate information that is easily accessible to older Americans. More importantly, the hearing illustrated how a small investment in counseling on insurance programs can yield significant savings for elderly consumers. Though there has been some limited progress in establishing such programs in some

States, including the usually innovative State of Wisconsin, he is moving forward to assure that all elderly Americans have access to needed insurance information.

And just as we look to Senator KOHL for important leadership on this issue, we see it from his home State. The State of Wisconsin's Aging Network has found some promising solutions to deal with seniors' confusion. Their Aging Network, with a wide base of support within the State, has developed a commendable one-on-one counseling program and an 800 toll-free Medigap counseling service to help guide people through the maze of health care coverage.

The bill he is introducing today would provide funds for all States to provide an 800 toll-free insurance counseling service. It also attempts to address some marketing abuses in the insurance market that we are all concerned about. While I am not prepared to cosponsor the bill today, I do find it to be exceedingly promising and look forward to working with Senator KOHL on his legislation and on a bill I am currently working on to address this issue.

It is certainly rare that a first-term, first-Congress Senator take on such an active role in aging and health care issues. However, Senator KOHL is a uniquely committed individual and a significant asset to the Aging Committee.

As chairman of the Aging Committee, I will be holding hearings to address the confusion surrounding Medigap policies and other health care coverage. I look forward to continuing to work with Senator KOHL on creative and responsive approaches to these problems.

By Mr. HEFLIN:

S. 2051. A bill to amend the Social Security Act to provide for more flexible billing arrangements in situations where physicians in the solo practice of medicine or in another group practice have arrangements with colleagues to cover their practice on an occasional basis; to the Committee on Finance.

RECIPROCAL CALLS BY PHYSICIANS

● Mr. HEFLIN. Mr. President, I rise today to introduce a bill to provide for more flexible billing arrangements in situations where physicians in the solo practice of medicine or in another group practice have arrangements with colleagues to cover their practice on an occasional basis.

The Health Care Financing Administration seeks to eliminate the long-standing custom of cross-covering, whereby physicians make courtesy calls to patients for their colleagues. This has particularly been a long standing practice on weekends or other vacation days. This professional courtesy may take the place of a

formal partnership and is especially necessary in smaller towns to allow independent physicians occasional off-duty time.

In a reciprocal call arrangement, a physician permits other members of his profession to see his patients on off-duty days, with the understanding that he will reciprocate in the same manner by making rounds for his colleagues when needed. It is agreed in such an arrangement that only the regular physician will bill for these services.

The Health Care Financing Administration plans to strictly enforce what it calls reassignment prohibition. This so-called reassignment states that a covering physician must hereafter bill his colleagues' patients for any services rendered, unless the regular physician is his employer. This new directive by the Health Care Financing Administration will certainly wreak havoc among those in the health care field. Administrative expenses for both physicians' offices and Medicare carriers will significantly increase due to the generation of extra bills and paperwork.

A doctor who visits a patient other than his own only once will have to create a file and process paperwork for that one visit. The administrative costs in such an instance may be greater than the cost of the visit itself. It seems much more sensible to have one bill and therefore one claim per patient.

Mr. President, not only is this reassignment prohibition procedure inconvenient to physicians, but to Medicare beneficiaries as well. Physicians have different ways of charging for their services, and their fees vary. It can be very confusing for patients to sort out bills that were submitted by various doctors. This new procedure by the Health Care Financing Administration is cumbersome, bureaucratic, and to my way of thinking, unnecessary.

I urge my colleagues in the Congress to join me in an effort to revoke this senseless directive by the Health Care Financing Administration. This directive seeks to abolish a time-honored tradition among physicians without justification, and will certainly increase the total cost of medical care. The custom of cross covering has existed among medical professionals for many years. Physicians, who are caring for our sick and elderly, should not be forced to change their practice as a result of his ill-advised Government ruling.

Mr. President, I ask unanimous consent that an article from the Alabama MD, the magazine for the Medical Association of the State of Alabama, as well the text of the bill I introduce be included in the RECORD.

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

S. 2051

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PURPOSE.

The purpose of this Act is to permit physicians in solo practice and those in another group practice to "cover" Medicare patients for each other and to make it possible for the personal physicians of the Medicare patients to bill and receive reimbursement for professional services rendered by their colleagues who "cover" for them.

SEC. 2. ORGANIZATION.

(a) Section 1842 (b) (6) of the Social Security Act (42 U.S.C. Section 1395 u(b) (6)) is amended by inserting at the end of subsection (A) the following:

(B) payment may be made to a physician who arranges for services to be provided by a second physician on an occasional basis in situations where the first physician is unavailable to provide such services, the beneficiary has arranged to receive medical care services from the first physician, and the claim form submitted to the carrier indicates that the claim is for such "covered" services.

(b) Section 1842 (b) (6) of the Social Security Act (42 U.S.C. Section 1395 u(b) (6)) is further amended—

(1) By striking "(B)" and inserting "(C)" and

(2) by striking "(C)" and inserting "(D)"

SEC. 3. EFFECTIVE DATE.

The amendments made by this Act shall be effective for services provided on or after the date of enactment.

[From the Alabama MD, Dec. 28, 1989]

COVERING PHYSICIANS MUST BILL IN THEIR OWN NAME, HCFA ORDERS

(William H. McDonald)

MASA's Third Party Grievance Task Force, chaired by President Burt Taylor, M.D., urgently appeals to all Alabama physicians to contact their Congressmen and Senators to seek relief from a new HCFA directive on "reassignment prohibition."

Translated from bureaucratese, that is the Washington label for banning the time-honored practice whereby physicians cover for each other on vacations, holidays, weekends and off-days.

By established custom antedating Medicare by at least a century, the regular physician bills the patient for the coverage; he, in turn, reciprocates with the physician who covered for him.

Although the practice is deeply rooted in the history of professional courtesy, HCFA has now informed all carriers that the covering physician must bill in his own name and number, and that it is fraudulent for one physician to bill for services rendered by another, unless a valid employer-employee relationship exists.

The indignation of physicians nationwide was such that this issue was propelled into the forefront of the deliberations of the AMA House of Delegates at its interim meeting early in December.

The AMA Delegates fired off a resolution Dec. 6 calling on AMA to "pursue all appropriate legislative, regulatory, or administrative means to amend or eliminate the inappropriate enforcement of the Social Security Act and/or Medicare regulations in order to make it possible for physicians in solo or group practice to bill and receive payment for professional services to their Medicare

patients rendered by colleagues who provide them with traditional short-term coverage."

Bule Cross Blue Shield of Alabama officials meeting with the Task Force Dec. 19, confirmed that the carrier had been directed by HCFA's Region IV (Atlanta) to enforce the "reassignment prohibition" in Alabama.

Two letters from Alabama physicians on the Dec. 19 agenda referred to the "rumor" that the stricture would be applied in this state. One of these physicians had called his Medicare Provider Affairs Representative to inquire as to the validity of the report:

"I *** was emphatically told that this represented fraud. I explained that as long as the work was done and was billed only once, I did not understand the basis for fraud. She explained that when a physician billed for a visit he did not make, that was fraud. The fact that another physician performed a service for which he did not bill seemed irrelevant.

"I felt a certain reticence about extending myself further in this direction. To press the issue and to further focus attention on my past billing practices or past coverage arrangements seemed to be a risky venture. ***"

In view of the directives sent out to all carriers by HCFA's Acting Director of the Bureau of Policy Development, Kathleen A. Buto, his reticence was wise.

The Blues explained to the Task Force that in view of the HCFA mandate, they had no choice but to apply the reg.

Actually it all came to a head last summer when a Colorado physician was sanctioned for fraud because he billed for services rendered by a covering physician.

Robert D. McCartney, M.D., President, of the Colorado Society of Internal Medicine, wrote the Region VII (Denver) Medicare Administrator to express his concern, arguing forcefully for a reconfirmation of the traditional coverage arrangement.

Director Buto's responses to Region VII and to Dr. McCartney now form a memorandum file HCFA has sent to Medicare carriers to support the demand for rigid enforcement of the "reassignment prohibition."

Ms. Buto acknowledged in her policy directive to carriers that "bills are commonly submitted and payment made in the regular physician's name" and that "often the arrangement is reciprocal."

But, she directed, such billing will hear- after be acceptable "Only if the regular physician is the employer of the substitute in the strict sense of the word 'employer.'" (She cited Medicare Carriers Manual Sections 3060ff and section 1842 (b) (6) of the Social Security Act.)

Alabama is, as it turns out, relatively late in being brought under the gun in this respect. The Alabama Blues received the get-tough orders in an Oct. 13 memorandum from the Atlanta office of the Region IV Medicare Administrator, who directed all carriers in the region in this fashion:

"If you have not reminded the medical community about the reassignment prohibition in the past 12-month period, please do so in your next bulletin, but in any case no later than three months from the date of this letter."

That would make the deadline for the reminder Jan. 13, 1990.

The Task Force's expressed concerns over the rule had already been made by Dr. McCartney in Colorado and already answered by Ms. Buto, to her own satisfaction if no one else's. Any physician desiring a

copy of the HCFA file to carriers may have one for the asking by addressing the request to MASA Executive Director S. Lon Conner, PO Box 1900, Montgomery, AL 36102-1900, telephone, 1-800-392-5668.

Here are some excerpts from that advisory by HCFA's Buto:

"1. Whenever a physician is party to an arrangement permitting one independent physician to bill for the services of another, it would be extremely difficult to pursue cases involving program fraud. In these situations, it would be all too easy for the two physicians to claim that billings for services that were not actually rendered were unintentional errors resulting from poor communication between the two parties."

[Notice in this and the following commentary that Ms. Buto assumes criminal intent by physicians as the overriding rationale for enforcing the "reassignment prohibition."]

"2. Substitute billing arrangements that are intended to be reciprocal may in practice result in arrangements to abuse the Medicare program by manipulating reasonable charge profiles. For example, two physicians may enter into an agreement that permits the physician with the highest charge level to bill for the services rendered by the other physician, not only during vacations and holidays, but also at other times.

"3. In some cases, the regular physician may be required to compensate the substitute physician. It is reasonable to expect that, in some cases, the amount paid to the substitute will be less than the reimbursement received by the billing physician. However, if the billing physician refers his patient to the substitute physician and pockets the difference between the amount received from the program and beneficiary on the one hand and the amount paid the substitute on the other, there may be a violation of the antikickback provisions of section 1128B of the Act."

These concerns are not relevant, Ms. Buto said, if the substitute physician is a bona fide employee of the regular physician in the strictest sense of that relationship. In such cases, if indeed bona fide, the antikickback provisions would not apply.

Ms. Buto then proceeded to answer Dr. McCartney directly, thus making her response part of the policy directive. In doing so, she gave short shrift to his contentions that: the present custom is cheaper and more efficient administratively; that any limitation on the time-honored practice might deprive physicians of necessary leisure and recuperative time-off, with an adverse effect on patient care; etc.

Whatever merit such objections may have, Ms. Buto said, they are outweighed by the three concerns above, those directed at potential fraud and abuse.

Other situations are covered in the memorandum file but all to the same effect—that unless the substitute physician is a valid employee of the regular physician, he must bill for his coverage in his own name and number.

The hands of Blue Cross/Blue Shield of Alabama, in common with those of other carriers, have thus been tied.

If relief from this onerous stricture is to come, The Task Force concluded (as the AMA House of Delegates had concluded two weeks earlier), it must be done by pressure on Congress to demand that HCFA abandon or modify the regulation.

The Task Force urges Alabama physicians to make their appeals to Congressmen a top priority matter; this intrusion on a traditional professional amenity affects all doctors.

Additionally, you will have an opportunity to express your feelings face-to-face with the Alabama congressional delegation at MASA's 13th annual Washington meeting, Feb. 3-5, at the J.W. Marriott Hotel.

In other actions Dec. 19, the Task Force:

Was assured by Blue Cross that physicians may circumvent a query from the Medicare Secondary Payment Program, as to the physician's intentions to file a claim with the VA in the case of eligible veterans, by noting on the Medicare claim form, in the section for services provided, "I do not plan to file these charges with the VA." This should shortcut the Secondary Payer letters, part of an attempt by Medicare to get other agencies, public and private, to pay for services to Medicare patients.

Received from the carrier executives a brochure explaining how UCR is determined in Alabama, with further assurance that this information would be included in the next Provider Fax and, finally, might be published in the Alabama M.D., if there are no objections by legal counsel.

Was assured by the executives that the carrier would study a complaint to the effect that physicians performing office surgery should be reimbursed a "tray fee." ●

By Mr. KASTEN:

S. 2052. A bill to amend the Internal Revenue Code of 1986 to reduce the OASDI tax rate, and to remove Social Security trust funds from Gramm-Rudman; to the Committee on Finance.

SOCIAL SECURITY INTEGRITY AND TAX REDUCTION ACT

Mr. KASTEN. Mr. President, I rise today to address a fundamental issue of tax justice—an issue that goes to the heart of our economic future.

While we were all in our several States, meeting with our constituents, our distinguished colleague Senator PAT MOYNIHAN was leaving us a holiday gift here in Washington—the most breathtaking new economic proposal of our young congressional session.

His idea is that we ought to roll back the 1990 Social Security tax increase. This idea isn't really so new. Some might even call it an old GOP standard—but it's a good idea.

Two years ago, when then-Representative Jack Kemp and I proposed payroll tax cuts as part of an omnibus jobs-and-economic-growth package, our efforts were viewed with some suspicion. Some people were afraid that Jack and I had a hidden agenda, a desire to dismantle Social Security—even though we made clear our strong support for the Social Security system and our disinclination to privatize it or tamper with its basic structure.

No one suspects Senator MOYNIHAN of this kind of ulterior motive—he is a recognized champion of the Social Security system—and that gives the tax cut a great opportunity to move toward enactment. The case is compelling:

The working men and women of America need a tax cut.

A tax cut would help the economy.

And—after all—we're only using this money to hide the true dimensions of the budget deficit, not to provide for the future of America's retirees.

The regressive Social Security tax is now imposing a larger burden on the average taxpayer than the Federal income tax. A full 74 percent of all taxpayers pay more in combined payroll taxes than they do in income taxes. From 1955 to 1990, the basic payroll tax will have risen from 4 to 15.3 percent—a nearly fourfold increase. From 1955 to 1988, the tax burden on Americans rose twice as fast as their income. In 1955, a median-income family of four paid Federal taxes at the rate of 9 percent per year. In 1970, they paid 16 percent. In 1988, they paid 24 percent.

The maximum Social Security tax for working families is now a whopping \$3,180. Some have argued that this regressiveness is the product of the Reagan tax cuts of 1981 and 1986—but the exact opposite is true. The Reagan cuts removed millions of low-income taxpayers from the income tax rolls—and that's why the payroll tax now accounts for such a disproportionate share of the tax burden borne by these Americans.

These payroll taxes hurt businesses and workers by increasing labor costs and reducing take-home pay. Because of international competition, American businesses are forced to reduce the number of workers they employ. And—as usually happens when bad economic policy is enacted—the chief victims are those at the bottom of the economic ladder.

According to a recent study by the Institute for Research on the Economics of Taxation, the Social Security tax hikes of 1988 and 1990 will increase the tax burden of working Americans by \$500 billion over the next 15 years—costing the economy an estimated 500,000 jobs and reducing GNP and capital stock by \$100 billion.

In short, the tax increase would have a devastating effect on economic growth. And today, with economic growth slowing to less than 1 percent, we need this economic stimulus more than ever. We need to give the Federal Reserve a helping hand. We have to cut payroll and capital gains taxes on the fiscal side, and allow the Fed to concentrate its monetary policy on the goal of price stability. Cutting the payroll tax would not only curb Congress' appetite to spend the Social Security surplus; it would leave today's young workers and families with more after-tax income to invest in the real economy.

So I agree on principle with the approach Senator MOYNIHAN has outlined. There are, however, numerous objections to his plan which we would do well to confront straightforwardly.

These objections have varying degrees of merit. Some are pure dema-

gogery; others contain a grain of truth; and still others are very serious indeed.

The loudest objection—that a payroll tax cut would reduce benefits to retirees—is simply false. In fact, some are trying to turn this into an issue of generational warfare, turning our young people against our senior citizens and vice versa. This is irresponsible—there is no excuse for misleading seniors about nonexistent benefit cuts.

Make no mistake: With or without this tax cut, Social Security will be solvent for at least three decades—according to Social Security Administration projections. So to those who wish to frighten our elderly citizens, let us be clear. No benefit cuts.

A more serious objection is that the payroll tax cut will result in a sizable increase in the deficit, completely throwing off the Gramm-Rudman deficit reduction process and leading to higher interest rates.

I'd like to put this deficit issue in perspective. The Congressional Budget Office projects that in fiscal year 1991, the deficit will be only 2.5 percent of GNP. The Moynihan tax cut proposal would increase the deficit by \$42 billion on a fiscal year basis, or 0.76 percent of GNP—resulting in a deficit that is 3.26 percent of GNP.

As recently as 1983, the deficit was nearly twice that high—or 6.3 percent of GNP. While it's clear that we have to do more to bring the deficit down, we are in fact making progress.

The fears of high interest rates are unjustified by the evidence. A 1984 study completed by the Reagan-Bush Treasury Department concluded that there is little proven connection between budget deficits and high interest rates.

I think that study was correct.

I think nonetheless that there is substantial room for improvement in the Moynihan tax cut proposal. I would like at this point to introduce a bill that addresses this fiscal concern, as well as the concerns about potential benefit cuts and long-term Social Security solvency.

Today, I am introducing a bill that would cut the payroll tax; ensure Social Security solvency; and provide for an honest balanced budget by 1997. The bill is called the Social Security Integrity and Tax Reduction Act of 1990.

Mr. President, my bill would retroactively reduce the 1990 Social Security payroll tax on both employers and employees from 6.2 percent to 5.9 percent, and further reduce the rate to 5.6 percent in 1991 and 5.3 percent in 1992. The result is a tax cut of up to \$154 for the American taxpayer this year, \$326 per taxpayer in 1991, and \$519 in 1992.

These tax cuts would reduce labor costs, increase job opportunities, and sharpen America's competitive edge.

And this is essential to the Social Security System, because its solvency depends on America's long-term productive capacity.

It is essential that the Social Security trust fund be made secure. My bill would exclude the Social Security trust fund from deficit calculations beginning in fiscal year 1991. Only by making Social Security truly independent can we guarantee its integrity, protecting current and future benefits and restoring discipline to the rest of the budget.

And we have to level with the American people about the true size of the deficit. My bill would raise the Gramm-Rudman targets to reflect the removal of the Social Security trust fund from the general budget.

The 1983 Social Security reforms raised payroll taxes in the expectation of a slow-growth decade. The opposite has occurred. The economy has boomed—and the result has been the excessive surplus which we are now diverting to hide the general budget deficit.

The tax reduction I am proposing—down to a 5.3 percent rate—would help reduce this burdensome payroll tax. And it would leave a substantial surplus to protect the solvency of the Social Security System in the event of a severe economic downturn.

And I think that's important. If economic disaster strikes, we should have a cushion in place to protect retirees.

The resulting increase in the deficit will be at least partially offset by increased economic activity, lower labor costs, and greater competitiveness.

But more importantly, the American people will have increased take-home pay to save and invest. Some have suggested that we ought to mandate the use of tax-deferred savings vehicles such as IRA's and 401(k) plans. I disagree; we shouldn't mandate them, but we ought to encourage all Americans to invest in them.

And I think that if we leave these economic choices to the people, they will do the right thing—and invest in our country's future.

Let's begin a national crusade for savings and investment. We should begin by enacting President Bush's proposed Family Savings Act, which would grant tax-free status to long-term deposits. We should continue by expanding that approach and building on it. And—most importantly of all—we should call on all Americans to teach their children the habits of thrift that are so essential to building our national destiny and their own retirement security.

The bottom line is this: The central choices about the Nation's economic future must be restored to the American family. That ought to be the goal of any intelligent and far-sighted economic policy.

That's why we have to reduce the payroll tax. It's also why we have to reduce the capital gains tax, which unlike a payroll tax cut would actually increase revenues to the Federal Treasury while also sparking economic growth.

Mr. President, let's cut the payroll tax—to boost the income of the average American. Let's take Social Security off budget—to protect benefits for America's retirees. And let's mandate a balanced budget by 1997—to restore fiscal responsibility to the Federal Government.

The Social Security Integrity and Tax Reduction Act of 1990 would be a great step forward for all three of these goals. We have a historic opportunity to strike a blow for today's middle- and lower-income Americans, and for tomorrow's retirees as well. This tax cut will create jobs, expand economic opportunities, and restore honesty in the Federal budget. That's who we should be thinking of—every step of the way—as we advance this proposal.

Mr. President, I ask unanimous consent that the text of the bill and supporting documents be printed in the RECORD.

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

S. 2052

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This bill shall be known as the "Social Security Integrity and Tax Reduction Act."

SEC. 2. FINDINGS AND STATEMENT OF POLICY.

(a) FINDINGS.—The Congress finds that:

(1) The Congress, in amending the Social Security Act in 1983, primarily intended to restore and ensure the solvency of the social security trust fund.

(2) Combined with the 1983 increases in the old-age, survivors, and disability insurance (OASDI) payroll tax rate, the robust economic expansion of the 1980s—with 18,000,000 new jobs created—generated a larger than expected surplus in social security payroll tax receipts.

(3) The social security surplus is invested in United States Treasury securities, enabling the Government to reduce Federal borrowing requirements and to finance the general Government expenditures.

(4) According to actuarial projections of the Social Security Administration, the social security system will be financially solvent for at least the next three decades with or without the excess social security payroll tax revenues.

(5) A reduction in the combined OASDI payroll tax rate would reduce labor costs of businesses, increase job opportunities for American workers, enhance America's international competitiveness, and increase the gross national product.

(6) Government policies that increase the Nation's productive capacity and the gross national product will help protect the solvency of the social security system in the next century and ease the potential tax burden on future workers.

(b) POLICY.—It is the policy of Congress that:

(1) The social security surplus should be reduced and returned to both employers and employees in the form of reductions in the OASDI payroll tax rate.

(2) The social security reserves should be removed from the calculations of the Federal budget deficit for the purposes of the Gramm-Rudman law.

(3) The social security trust fund should maintain a surplus equal to or greater than 100 percent of expenses after fiscal year 1991 in order to ensure the solvency of the social security program in the event of a downturn in the economy of the United States.

(4) A financially sound and independent social security system must be preserved in order to guarantee the provision of social security benefits for our Nation's senior citizens.

(5) The remainder of the Federal budget, excluding the social security tax surplus, should be balanced by 1997.

SEC. 3. REDUCTION IN FICA TAXES AND TAXES ON SELF-EMPLOYMENT INCOME.

(a) FICA TAXES.—

(1) TAX ON EMPLOYEES.—The table in section 3101(a) of the Internal Revenue Code of 1986 (relating to rate of tax on employees for old-age, survivors, and disability insurance) is amended to read as follows:

In the case wages received during:	The rate shall be:
1990.....	5.9 percent
1991.....	5.6 percent
1992 and thereafter.....	5.3 percent."

(2) TAX ON EMPLOYERS.—The table in section 3111(a) of such Code (relating to rate of tax on employers for old-age survivors, and disability insurance) is amended to read as follows:

In the case wages paid during:	The rate shall be:
1990.....	5.9 percent
1991.....	5.6 percent
1992 and thereafter.....	5.3 percent."

(b) TAX ON SELF-EMPLOYMENT INCOME.—The table in section 1401(a) of the Internal Revenue Code of 1986 (relating to rate of tax on self-employment income for old-age survivors, and disability insurance) is amended to read as follows:

"In the case of a taxable year		Per-
Beginning after:	And before:	cent:
December 31, 1989.	January 1, 1991.	11.8
December 31, 1990.	January 1, 1992.	11.2
December 31, 1991.	10.6"

SEC. 4. REMOVING SOCIAL SECURITY TRUST FUNDS FROM GRAMM-RUDMAN.

(a) EXCLUSION OF RECEIPTS AND DISBURSEMENTS OF SOCIAL SECURITY TRUST FUNDS WHEN CALCULATING MAXIMUM DEFICIT AMOUNTS.—

(1) DEFINITION OF DEFICIT.—(A) The second sentence of paragraph (6) of section 3 of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(6)) is repealed.

(B) Section 275(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901 note) is amended by striking out "and the second sentence of sec-

tion 3(6) of such Act (as added by section 201(a)(1) of this joint resolution)".

(2) SOCIAL SECURITY ACT.—Subsection (a) of section 710 of the Social Security Act is amended by—

(A) inserting after "Federal Disability Insurance Trust Fund," the following: "including interest received by the trust funds,"; and

(B) striking "shall not be included in the totals of the budget" and inserting "shall not be included in the budget deficit or any other totals of the budget".

(3) EFFECTIVE DATE.—The amendments made by paragraphs (1) and (2) shall apply with respect to fiscal years beginning after September 30, 1990.

(b) MAXIMUM DEFICIT AMOUNT.—Section 3(7) of the Congressional Budget and Impoundment Control Act of 1974 is amended by striking subparagraphs (F), (G), and (H) and inserting the following:

"(F) with respect to the fiscal year beginning October 1, 1990, \$138,000,000,000;

"(G) with respect to the fiscal year beginning October 1, 1991, \$113,000,000,000;

"(H) with respect to the fiscal year beginning October 1, 1992, \$98,000,000,000;

"(I) with respect to the fiscal year beginning October 1, 1993, \$75,000,000,000;

"(J) with respect to the fiscal year beginning October 1, 1994, \$50,000,000,000;

"(K) with respect to the fiscal year beginning October 1, 1995, \$25,000,000,000; and

"(L) with respect to the fiscal year beginning October 1, 1996, \$0."

(c) CONFORMING CHANGES.—

(1) DEFINITION OF MARGIN.—Section 257(10) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by—

(A) striking "1992" and inserting "1996"; and

(B) striking "fiscal year 1993" and inserting "fiscal year 1997".

(2) EFFECTIVE DATE.—Section 275(b)(1) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by striking "1993" and inserting "1997".

SEC. 5. CONGRESSIONAL INTENT.

The Congress is fully committed to protecting the independence, strength, and longevity of the social security system. No provision or amendment of this Act, taken alone or in conjunction with other provisions or laws, allows any reduction, either nominal or real, in the provision of social security benefits.

OASDI Reserves under the Kasten Plan (II-B)

[In percent]	
1990.....	77
1991.....	92
1992.....	102
1993.....	106
1994.....	111
1995.....	117
1996.....	123
1997.....	130
1998.....	137
1999.....	143
2000.....	150
2005.....	181
2010.....	199
2015.....	174
2020.....	100

OASDI Reserves under the Kasten Plan (II-B)

[In billions of dollars]	
1990.....	223

OASDI Reserves under the Kasten Plan (II-B)—Continued

1991	267
1992	299
1993	333
1994	373
1995	417
1996	466
1997	520
1998	580
1999	644
2000	715
2005	1,163
2010	1,749
2100	2,100
2020	1,464

Potential Family Savings under the Kasten Plan

[In dollars]

1990	154
1991	326
1992	519
1993	551
1994	586
1995	618

Source: Social Security Administration.

SELECTED PAYROLL TAX RATE AND WAGE BASE

[Historically and under current law]

	Maximum taxable	Rate
1937	\$3,000	1.0
1950	3,000	1.5
1955	4,200	2.0
1959	4,800	2.5
1966	6,600	4.2
1970	7,800	4.8
1974	13,200	5.85
1978	17,700	6.05
1979	22,900	6.13
1981	29,700	6.65
1982	32,400	6.70
1984	37,800	6.70
1985	39,500	7.05
1986	42,000	7.15
1987	43,800	7.15
1988	45,000	7.51
1989	48,000	7.51
1990	51,300	7.65
1991 and after ^a		7.65

^a Effective rate.^b Subject to automatic increase.

Source: House Ways and Means Committee.

THE SOCIAL SECURITY INTEGRITY AND TAX REDUCTION ACT OF 1990

OBJECTIVES

Reduce excessive Social Security payroll taxes for working Americans.

Protect the integrity of Social Security by creating a truly independent Social Security program and ruling out benefit cuts.

Balance the non-Social Security budget by 1997.

PROPOSAL

Tax reduction: Retroactively reduces the 1990 Social Security payroll tax on employers and employees from 6.2 percent to 5.9 percent. The tax is further reduced to 5.6 percent in 1991, and to 5.3 percent in 1992. Social Security off-budget: Excludes the Social Security tax surplus from the deficit calculations beginning in Fiscal Year 1991.

Extension of Gramm-Rudman-Hollings targets: Raises deficit targets beginning in Fiscal Year 1991 (through Fiscal Year 1993) by the amount equal to the Congressional Budget Office's latest projections of the Social Security tax surplus. In the first three years, no added deficit reduction is needed. Extends targets in out-years through Fiscal Year 1997, in which a balanced budget is achieved.

BUDGET TARGETS

[In billions of dollars]

	Fiscal year—						
	1991	1992	1993	1994	1995	1996	1997
Current GRH targets	64	28	0				
SSITRA targets	138	113	98	75	50	25	0

BACKGROUND

Since the Social Security program began, the combined payroll tax has risen steadily—from 2 percent for the first \$3,000 in earnings in 1937, to 6 percent of wages in the 1960s, to 15.3 percent on earnings up to \$51,300 today. 74 percent of all taxpayers now pay more in combined payroll taxes than they pay in Federal income taxes.

The 1983 Social Security reforms are based on the implausible concept that the government can build up a huge reserve that can be drawn upon when it comes time for current workers to retire. The fact is that the tax surplus is invested in Treasury securities—and used to finance other programs of the Federal government. The Social Security Reserve is nothing but a stack of IOUs from the Treasury. Furthermore, if overly large reserves could truly be created, they are apt to be used for new benefit spending programs.

The 1983 Social Security reforms raised payroll taxes based on expectations of sluggish economic growth and job creation for the remainder of the decade. But the 1980s economic boom generated a larger-than-expected tax surplus. Excessive payroll taxes are now being used to mask the true size of the Federal budget deficit.

BENEFITS FOR AMERICA'S WORKERS AND ELDERLY

America's workers will receive up to \$154 each in 1990, \$326 in 1991 and \$519 in 1992.

Social Security benefits will be protected by creating a truly independent Social Security system. Reducing the excessive Social Security tax surplus will prevent Congress from raiding the pension program. A 5.3 percent SS payroll tax rate will provide an adequate SS surplus to guarantee benefit payments in the event of a severe economic downturn.

DEFICIT REDUCTION

The deficit can be reduced without raising taxes—if we adjust the Gramm-Rudman deficit targets by the amount of the projected SS surplus in FY 1991-1993.

Lowering the Gramm-Rudman deficit targets to balance the non-Social Security budget by FY 1997 would require additional deficit reduction beyond what is mandated in current law.

ECONOMIC GROWTH AND JOB CREATION

According to a recent study by the Institute for the Research on the Economics of Taxation (IRET), the payroll tax hikes of 1988 and 1990 will increase the tax burden on working Americans by \$500 billion over the next 15 years, costing the economy an estimated 500,000 jobs and reducing GNP and capital stock by \$100 billion. By contrast, IRET estimates that every dollar of reduction in Social Security taxes would expand economic output by 68 cents.

Social Security tax cuts will reduce labor costs, enhance U.S. competitiveness, create new job opportunities and increase economic growth.

SOCIAL SECURITY: MASKING THE DEFICIT

[By fiscal years; in billions of dollars]

	1989 ^a	1990	1991	1992	1993	1994	1995
Federal budget deficit	152	138	138	135	141	130	118
Increase in Social Security reserve	52	66	74	85	98	112	128
Deficit excluding Social Security	204	204	212	221	239	242	246

^a Actual; all others are projections.

Source: Congressional Budget Office

By Mr. DANFORTH:

S. 2053. A bill to amend certain provisions of title 5, United States Code, to provide for an increased maximum rate of pay for specially qualified scientific and professional personnel, and for other purposes; to the Committee on Governmental Affairs.

INCREASE IN MAXIMUM PAY FOR CERTAIN SCIENTIFIC AND PROFESSIONAL PERSONNEL

● Mr. DANFORTH. Mr. President, last year, Congress approved a pay raise for the top scientists and engineers in the Federal Government. The increase is not enough, however, to bring the salaries for Government scientists, engineers, and other professionals in line with their counterparts in the private sector and academia. Consequently, the Federal Government is facing a personnel crisis in our premier scientific research agencies, such as the National Institutes of Health [NIH], the National Science Foundation [NSF], and the National Aeronautics and Space Administration [NASA], and in departments such as Defense and Energy. The pay caps on Senior Executive Service [SES] salaries prevent those agencies and departments from recruiting and retaining the highly qualified and specialized scientists, physicians, and engineers they need.

For example, at NIH, the highest paid scientists are earning less than half the average amount paid to chairmen of clinical science departments at American medical schools. During the last 5 years, senior scientists have abandoned NIH for positions in academia, industry, and independent research laboratories at salary increases ranging from 50 to 300 percent. Salary levels for existing NIH vacancies last year were less than candidates' current salaries by amounts varying from 20 to 263 percent. For example, the salary of an NIH Ophthalmology Clinic director was \$62,000. An ophthalmologist at Washington Hospital Center earned \$225,000.

At NASA, senior scientists and engineers have their pay capped at \$83,600, while the peers they manage in the private sector are earning up to \$250,000. For example, an Assistant Associate Administrator at NASA earns no more than \$81,400. A scientist in a similar position at General Electric earns \$150,000. The NASA Di-

vision Chief at Ames Research Center recently left his \$71,910 per year job to take a position at Apple Computer paying more than double his NASA salary.

The bill I am introducing today establishes incentives for specially qualified scientific and professional personnel to accept employment with the Federal Government by permitting the President to exempt from the Federal salary cap certain employees, such as scientists, engineers, and doctors, who are difficult to recruit and retain. Under this proposal, the President would be required to publish a list of Federal Government employment requirements for highly specialized or skilled scientists, physicians, and engineers, who, in the President's judgment, cannot be recruited or retained for Federal employment because of substantial pay differentials between the private sector and the Federal pay ceiling. A listing of these employees would have to be submitted to the Congress no later than 30 days from enactment and, therefore, at the beginning of each fiscal year. Finally, the President would have the authority to set the salaries for these scientists, engineers, and physicians at whatever level is necessary to attract and keep them.

Mr. President, I ask unanimous consent that the text of the legislation and a summary of its provisions be included in the RECORD immediately following this statement.

Mr. President, the Federal Government cannot recruit and retain highly skilled and experienced scientists, engineers, and physicians. We've admitted to this problem for a number of years. The report of the White House Science Council, issued by David Packard, the distinguished chairman of Hewlett-Packard Corp., in May 1983, had this to say:

The key to a laboratory's success is a high quality and properly motivated scientific staff. The inability of many Federal laboratories—especially those under Civil Service constraints—to attract, retain, and motivate qualified scientists and engineers is alarming. . . . There are many reasons for this difficulty, but the main one is non-competitive pay and benefits compared with industry and universities.

It is important that Federal laws and regulations be modified to exempt scientific and engineering personnel . . . from the unduly rigid hiring, salary, and promotion rules of the Civil Service system.

Mr. President, the situation has deteriorated since that 1983 report. My legislation accomplishes in a simple but comprehensive manner the salary reform recommended by the Packard Review Panel. This proposal reflects the recommendations of the panel, and the 1989 National Commission on the Public Service, chaired by Paul Volcker, that the pay ceiling be lifted for certain scientists, engineers, and physicians, and that the various agen-

cies and departments be free to determine how to fit the salary priorities within the constraints of their appropriations.

We cannot expect to maintain America's preeminence in science and technology if we continue to pursue a penny-wise and pound-foolish Federal compensation policy. The legislation I am introducing today corrects this problem.

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

S. 2053

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

REPORT TO THE CONGRESS OF FEDERAL SCIENTIFIC AND PROFESSIONAL PERSONNEL NEEDS

SECTION 1. No later than 30 days after the date of the enactment of this Act, the President shall submit a report to the Congress that—

(1) states the employment requirements of the Federal Government for specially qualified scientific and professional personnel (such as scientists, physicians, engineers, and other professionals) who are most difficult to recruit or retain in Federal service;

(2) states the number of positions which would be established under section 3104 of title 5, United States Code (as amended by section 2 of this Act) to meet such employment requirements; and

(3) lists each such position and the proposed annual rate of pay for each such position.

EMPLOYMENT AUTHORITY

SEC. 2. Section 3104 of title 5, United States Code, is amended—

(1) in subsection (a)—

(A) in the first sentence—

(i) by striking out "The Director of the Office of Personnel Management" and inserting in lieu thereof "The President"; and

(ii) by striking out "(not to exceed 517)"; and

(B) in the second sentence by striking out "Director" and inserting in lieu thereof "President"; and

(2) by striking out subsections (b) and (c) and inserting in lieu thereof the following:

"(b) On October 1 of each fiscal year, the President shall submit a report to the Congress that—

"(1) states the number of positions that are established under the provisions of subsection (a);

"(2) lists each position established under subsection (a) and the rate of pay for each such position; and

"(3) states the reasons for the necessity of maintaining each such position under the provisions of subsection (a)."

INCREASE IN MAXIMUM RATE OF PAY

SEC. 3. Section 5371 of title 5, United States Code, is amended—

(1) by striking out "the Office of Personnel Management" and inserting in lieu thereof "the President"; and

(2) by striking out "nor more than the maximum rate for GS-18".

ADJUSTMENTS IN RATES OF PAY

SEC. 4. Section 5308 of title 5, United States Code, is amended by inserting before the period at the end thereof "(except for a position that the rate of pay is fixed under the provisions of section 5371)".

EFFECTIVE DATE

SEC. 5. The amendments made by section 2, 3, and 4 of this Act shall be effective 90 days after the date of the enactment of this Act.

BILL TO PROVIDE INCENTIVES FOR SPECIALLY QUALIFIED SCIENTIFIC AND PROFESSIONAL PERSONNEL—SUMMARY OF PROVISIONS

Section 2 amends section 3104 of title 5 to require the President to establish, and from time to time revise, the maximum number of scientific or professional positions necessary for carrying out research and development functions which require the services of specially qualified personnel which may be established outside the General Schedule, and to submit a report to Congress each new fiscal year stating the number of positions that are established under this section, listing the positions established and the rate of pay for each, and giving the reasons for maintaining each position.

Section 3 amends section 5371 of title 5 to require the President to fix the annual rate of basic pay for scientific and professional positions established under section 3104.

Section 4 amends section 5308 of title 5 to exempt from a pay cap those positions for which the rate of pay is established by the President under section 5371.

Section 5 provides that the amendments made by sections 2, 3, and 4 will be effective 90 days after the date of enactment.●

By Mr. DODD (for himself, Mr. BRADLEY, Mr. ROCKEFELLER, Mr. HARKIN, Mr. D'AMATO, Mr. KOHL, Mr. CONRAD, Mr. LIEBERMAN, Mr. MIKULSKI, Mr. SIMON, Mr. METZENBAUM, Mr. SANFORD, Mrs. KASSEBAUM, Mr. KENNEDY, and Mr. BYRD):

S. 2054. A bill to amend the Public Health Service Act to authorize grants and contracts for projects providing primary pediatric care to disadvantaged children, and for other purposes; to the Committee on Labor and Human Resources.

PRIMARY PEDIATRIC OUTREACH AND CARE FOR DISADVANTAGED CHILDREN ACT

Mr. DODD. Mr. President, I rise today to introduce the Primary Pediatric Outreach and Care for Disadvantaged Children Act of 1990. I submit this legislation, Mr. President, in response to the dire needs of many American children who not only are without health care but who also lack the means to seek it.

For many children in our country, now is a time of want and peril. Many are homeless; others are neglected or functionally without parents; some are cruelly abused. No other segment of our population suffers more from the effects of poverty or drug abuse.

I cannot state, Mr. President, with certainly how many children are in such need. None of us know for certain. But I know that the problem is large and that the consequences of this problem are far reaching. The National Academy of Sciences estimated that in 1988, 100,000 children in this country go to sleep homeless every night. Disturbing as that number is,

those who are homeless at any one time are but a subset of a far larger total who have been or will be homeless, living marginally in substandard or overcrowded housing.

Concurrently, child welfare agencies have been overwhelmed by the cases of neglected and abused children. Many of them have addicted parents and receive attention only after extreme deprivation or harm. Others are discovered by accident in drug busts. These cases are now commonplace to local police and social workers. We can only guess at the figures nationwide.

The dramatically rising infant mortality rate in Washington, DC, and other urban centers linked to the use of crack cocaine are startling indicators of how children are often the principal victims of substance abuse. And then our children of children, born to teenage mothers, not only may the means such as health insurance be lacking, but also the knowledge, maturity and general wherewithal to properly look after a child's interest.

Add these pieces altogether and a frightening mosaic of a lost generation emerges. Children aging but not growing amidst dislocation, disorder and disease, and if they do make it to adulthood, Mr. President, what kind of adults will they be? Homelessness, for instance, deprives a child of security, privacy and consistency, thereby interfering with education and personality development. Children who are abused are often future child abusers. Likewise, substance abuse and criminal behavior are often learned along generational lines.

This legislation I am introducing this afternoon provides a start and only a start to help reach these children at risk and in need. It does not seek to solve their problem, but only identify and reach them. It authorizes the Secretary of Health and Human Services to make grants available for local agencies and institutions, public or nonprofit, to provide primary pediatric outreach care. Such care could be therapeutic or preventative and would include immunizations, acute care, health screenings and growth assessments.

The outreach programs would work in tandem, Mr. President, with community health centers and local hospitals. Children with special problems could then be identified and referred to a specialty, mental health and social services. These outreach programs could also track and follow up on children who might otherwise be lost in the system.

To be eligible, Mr. President, the programs would have to demonstrate the ability to actively reach disadvantaged children. Federal funds would match local funds, private or public. The inspiration of this legislation, Mr. President, and a potential model for other programs is the New York chil-

dren's health project. Based in the Department of Pediatrics at the New York Hospital Cornell Medical Center, it delivers health care to homeless children via mobile medical vans. In its first year of operation with only one and a half vans in the city of New York, 3,000 homeless children were seen in 6,700 separate patient encounters. Over 2,000 children were immunized, children who would likely have remained—in fact, not likely, Mr. President, would have remained unvaccinated otherwise. The beauty of this program, however, goes beyond its numbers because the vans adhere to a fixed schedule; they create a reliable, structured health care service where none previously existed. The program remains accessible to families through a 24-hour telephone number. Problem cases are followed up.

Over 275 children have been referred to the medical center for special services. All children are entered into a computer system permitting follow-up and access to medical records regardless of where they may be found a week, a month or a year later. Each month more than 200 women, infant and children certifications for food supplementation are issued.

In addition, the New York children's health project operates a substance abuse prevention program. Its methods are innovative and superbly adapted to local conditions. The project serves immediate needs but perhaps more important, Mr. President, it acts as a crowbar to pry an opening to these children through which interventions and comprehensive services can flow.

This concept of reaching these children works in New York and I believe it ought to be feasible in other cities and rural areas throughout this country. Variations could be adapted to Appalachia and to migrant workers in the West. It certainly is a fact that these children have complex and urgent needs, and we all know that. They do not have the means to fend for themselves and too often do not have the family structure to provide the needed support. In this context, traditional passive health care, responding only when sought, is unable to provide the answer, Mr. President. The evidence could be found in statistics from the U.S. Immunization Service.

In 1985, a smaller percentage of children, age 2 and younger, were fully immunized against polio, measles, rubella, mumps and DPT than in 1980. Approximately 20 percent of all infants and 40 percent of nonwhite infants had not received the recommended doses of polio vaccine.

This legislation establishes no Federal bureaucracy. It simply fosters and encourages worthy local initiatives and the exchange of information and experiences among them. Language in

this year's Domestic Volunteer Service Act, moreover, would permit the inclusion of VISTA volunteers in such a program as I have described. The Primary Pediatric Outreach and Care for the Disadvantaged Children Act of 1990 is endorsed, I might add, Mr. President, by the American Academy of Pediatrics, the National Association of Children's Hospitals and related institutions, the National Network of Runaway and Youth Services.

Mr. DODD. Mr. President, I also note, as I send this legislation to the desk, that this legislation is being cosponsored by Senators BRADLEY, ROCKEFELLER, HARKIN, D'AMATO, KOHL, CONRAD, LIEBERMAN, MIKULSKI, SIMON, METZENBAUM, SANFORD, KASSEBAUM, KENNEDY, and BYRD.

Mr. President, I ask unanimous consent that correspondence from the American Academy of Pediatrics, from the National Association of Children's Hospitals and related institutions, the National Network of Runaway and Youth Services be printed in the RECORD.

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

S. 2054

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 "Primary Pediatric Outreach and Care for Disadvantaged Children Act of 1990".

SEC. 2. PRIMARY PEDIATRIC CARE FOR DISADVANTAGED CHILDREN PROGRAM.

Subpart V of part D of title III of the Public Health Service Act (42 U.S.C. 256 et seq.) is amended—

(1) by adding after the subpart heading the following:

"CHAPTER 1—GRANT PROGRAM";

and

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

"CHAPTER 2—PRIMARY PEDIATRIC CARE FOR DISADVANTAGED CHILDREN PROGRAM

"SEC. 340A. PRIMARY PEDIATRIC CARE FOR DISADVANTAGED CHILDREN PROGRAM.

"(a) DEFINITIONS.—As used in this section:

"(1) PRIMARY PEDIATRIC CARE.—The term 'primary pediatric care' means—

"(A) preventive care including anticipating guidance, examinations and appropriate early treatment, immunizations, and other services designed to promote health and prevent disease;

"(B) acute illness care, including diagnosis and early treatment of illnesses in order to prevent complications or the development of chronic disorders;

"(C) evaluations conducted to detect physical abuse, sexual abuse, or neglect of children; and

"(D) continuing care of individuals suffering from certain chronic diseases or disabling conditions.

"(2) OUTREACH.—The term 'outreach' means—

"(A) the intensive identification of isolated and vulnerable children; and

"(B) the undertaking of comprehensive assessments and referrals for purposes of pro-

viding immediate direct care and access to health care systems.

"(b) **AUTHORITY.**—The Director may make grants to, and enter into contracts with, public and nonprofit private organizations, agencies, and institutions, and with individuals to pay part or all of the costs of establishing programs (such as the New York Children's Health Project) designed to provide high quality primary pediatric care to economically disadvantaged children and adolescents who, on the date of enactment of this section, do not have access to such care as a result of geographic, cultural, financial, and other barriers, for the purposes described in subsection (c), or for operating such programs, or both.

"(c) **ELIGIBLE ACTIVITIES.**—A recipient shall use funds available under this section to—

"(1) provide child adolescent outpatient facilities or, where appropriate, mobile medical units, staffed by physicians, nurse practitioners, and other health care providers to provide primary care services;

"(2) establish an extensive followup system to ensure maximum consultative and referral visits for comprehensive health needs;

"(3) provide, for adolescents—

"(A) prenatal care;

"(B) substance abuse detection and preventive and therapeutic counseling; and

"(C) other services designed to meet the particular needs of adolescents;

"(4) provide evaluation and treatment services for behavioral and emotional disorders either directly or through referrals to appropriate specialists;

"(5) establish a health service program for children in foster care;

"(6) establish a program to provide medical services and community referrals to runaway and homeless youth;

"(7) establish a program to provide continuous, comprehensive care for children with special medical needs, particularly children with disabilities and chronic illness;

"(8) establish programs for other underserved children;

"(9) establish formal linkages with facilities providing necessary referral or ancillary services, including hospital outpatient and inpatient care, educational institutions, Head Start programs, and social welfare and child abuse programs; and

"(10) devise methods of data collection, including statistics concerning children and families and the specifics of the health care needs of such children and families which should enable the tracking of families and promote a continuum of health care.

"(d) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to carry out this section, \$10,000,000 for fiscal year 1991, and such sums as are necessary for each succeeding fiscal year."

THE NATIONAL NETWORK OF RUNAWAY AND YOUTH SERVICES, INC.,
Washington, DC, January 31, 1990.

HON. CHRISTOPHER J. DODD,
Chairman, Senate Labor and Human Resources Subcommittee on Children, Family, Drugs, and Alcoholism, Washington, DC.

DEAR SENATOR DODD: The National Network of Runaway and Youth Services wishes to add its enthusiastic support to the Primary Pediatric Outreach and Care for Disadvantaged Children Act of 1990. We believe this bill is an important step in making health care services more available and ac-

cessible to disadvantaged children and youth.

The National Network represents over 900 youth-serving agencies across the country, which daily serve hundreds of young people who have become disconnected from community life—their parents, schools, churches and synagogues, and health care providers. These youth, many of whom have been abused and neglected, live without the adult support and guidance we want for our children. They are at risk for long-term homelessness, increased drug experimentation and dependency, exploitive sexual experiences, early pregnancy, and AIDS/HIV infection.

Dr. Robert Deisher, who is the Department Chair for Adolescent Medicine at the University of Washington in Seattle, often speaks of the fact that teenagers are less likely to receive basic health care services than any other age group. In his work with street youth in the Seattle area that has spanned over two decades, Dr. Deisher has consistently found that these young people are more likely to have chronic physical and mental health problems than their peers who are not runaways or homeless. Recent studies highlight some of the serious problems these young people are encountering.

Homeless youth are nearly twice as likely to suffer from chronic physical ailments as their non-homeless counterparts.

Thirty-one percent of the young women aged 16-19, who were seen in clinics for the homeless in 19 cities, were pregnant, as compared to 9% of the control group used in the study. This was the highest pregnancy rate for any age group of homeless women.

Reported rates of substance abuse among homeless adolescents range between 70-85%.

Reported rates of clinical depression among homeless youth range from 29% to 84%.

Your bill, Senator Dodd, will help disenfranchised children and adolescents receive the very basic and preventive health services that they are currently denied, because of poverty or life circumstances which dictate that they are living without the protection of their parents or the State. The Primary Pediatric Outreach Care bill also provides another critical service for runaway youth—community referrals.

Noting the number of youth seeking shelter who had physical complaints, several of our member agencies in Boston, Portsmouth, R.I., and other cities pioneered the technology of mobile health care. They found that the promise of quality health care that was easily accessible attracted youth who typically avoided contact with adults and serviced providers. Their street outreach workers have successfully used the van as a base in urging youth to come in off the streets, enter emergency shelter, and begin the process of either reuniting with their families or finding other stable and safe living arrangements.

"Never in the history of this country has the importance of sheltering children from the risks and demoralizing atmosphere of street life . . . been less in need of argument." This statement was made in 1915 in a government report in England. It holds true for this country in 1990. We applaud your efforts to bring needed services to America's children and youth.

Sincerely,

JUNE BUCY,
Executive Director.

THE NATIONAL ASSOCIATION OF
CHILDREN'S HOSPITALS AND RELAT-
ED INSTITUTIONS, INC.,

Alexandria, VA, January 25, 1990.

HON. CHRISTOPHER J. DODD,
Chairman, Subcommittee on Children,
Family, Drugs and Alcoholism, U.S.
Senate, Washington, DC.

DEAR SENATOR DODD: NACHRI, the only national and voluntary association of children's hospitals, commends your efforts and the work of the Subcommittee on Children, Family, Drugs and Alcohol to address the needs of disadvantaged children and high-risk children for primary health care. The Primary Pediatric Care for Disadvantaged Children Act of 1990 will begin to fill the gaps in health care which impede poor, disadvantaged and at-risk children from receiving the basic health services they need.

By virtue of their special missions, children's hospitals are in a unique position to see, first-hand, emerging challenges to children's health and their access to care. Children's hospitals serve children who are very sick, children with the very specialized health care needs of chronic illness, and children who come from low income families. Indeed, nationwide 33% of their patients come from poor families—a level exceeded only by inner city public hospitals. Therefore, children's hospitals confront daily the inadequacies of our current system of health care financing and the resultant lack of access to the most basic primary care services, with its impact on the health status of our children.

The children's hospitals applaud this legislation as it addresses the immediate needs of a particularly vulnerable group of children—those without any access to routine health care—the "medically homeless". These children are at especially high risk for poor health status. The system of "mobile medical units" and "child health stations" that would be supported through this legislation will seek the children in need, giving them the opportunity to obtain needed services and to be integrated into established programs of care.

This legislation is one important step towards providing access to appropriate and adequate health care services to children in need. However, it should not be accepted as a panacea for the weaknesses of our health care system. What is truly needed, above and beyond this bill, is an enlightened social policy that includes much broader reforms of the ways in which health care is financed and made accessible to all children.

Such a social policy was embodied in your legislation—The Younger Americans Act of 1987. The Younger Americans Act would result in a national policy and commitment to our children and youth. The children's hospitals look forward to intensifying their work with you and others to achieve such a national commitment to all the needs of this nation's children.

Until that vision is realized, however, children's hospitals enthusiastically endorse initiatives such as those envisioned in the Primary Pediatric Care for Disadvantaged Children Act of 1990 which will provide much-needed services to the children who have suffered the most from the gaps of our current system.

Sincerely,

ROBERT H. SWEENEY,
President.

AMERICAN ACADEMY OF PEDIATRICS,
Washington, DC, January 31, 1990.
Hon. CHRISTOPHER DODD,
U.S. Senate,
Washington, DC.

DEAR SENATOR DODD: The Academy of Pediatrics is pleased to endorse the "Pediatric Outreach and Primary Health Care for Disadvantaged Children Act of 1990." The bill authorizes funding for projects which will provide primary care to economically disadvantaged children and adolescents who currently do not have access to care.

Access to health care, particularly pediatric preventive health care, is impaired for homeless families. Health becomes a lower priority as parents struggle to meet the daily demands for food and shelter. Families are so often on the move that there is no opportunity to develop an ongoing relationship with a health care provider. When there is an acute problem, hospital emergency rooms, visiting public health nurses, and clinics usually provide episodic and fragmented care. Continuity is nonexistent and care is rarely comprehensive.

Families with children represent more than one-third of the homeless population nationally and more than 50% of the homeless population in many cities. Homeless children have unique risks that compromise their health status and require creative approaches for the delivery of health care.

Ensuring access to health care is the Academy's top legislative priority. Approximately 11.6 million children are uninsured, which means that are without basic preventive health services, primary, acute and major medical services, and treatment of physical and development disabilities. While this proposal addresses an especially vulnerable portion of this population, all children's needs must be a priority of this nation.

The Academy applauds your efforts to address this critical need and is eager to work with you on behalf of children and families.

Sincerely,

BIRT HARVEY, M.D.,
President.

Mr. BRADLEY. Mr. President, I rise to join my colleagues, Mr. DODD from Connecticut and Mr. ROCKEFELLER from West Virginia, in introducing legislation authorizing \$10 million for grants to localities and local health facilities to reach out to poor, disadvantaged, and homeless children in order to provide basic health care services.

Today, nearly one in five children under the age of 18 lives in poverty. This rate is 50 percent higher than in 1969. For many of these children, significant barriers exist for obtaining basic services that would allow them the hope of escaping the chains of poverty. Some are homeless, others neglected and abused. All are deserving of the opportunities that this land of plenty has to offer. But the grim facts show that we're not meeting their needs very well. A country that invented the polio vaccine should not lag behind 14 other countries in the rate of immunization of our children. A country that has one of the highest standards of living in the world should not lag behind 19 countries in preventing infant mortality. A country that can take people to the Moon ought to

be able to get children to a doctor or doctors to children. The program we are introducing provides a way to reach children who are at risk, and to provide basic pediatric health services and access to a range of health services.

This program is modeled after a remarkable and unique program developed by Paul Simon and run by Dr. Irwin Redlener at the New York Children's Health Project. This remarkable project delivers health care to homeless children through mobile medical vans that reach out into the community. It provides children basic care for illnesses, immunizations, health screenings, and assessments as well as an important link for referrals to other medical and support services. In reaching squarely beyond the barriers with early and preventive interventions, programs like this one can make a difference to these innocent victims of poverty and neglect. And with the emphasis on tracking the children who are served, the program conveys the message to these children that they will not be lost again.

Earlier this year I met, Mr. President, with Paul Simon and Dr. Redlener to discuss this special program and its applicability for other areas. It is my belief that the program could be replicated in other parts of the country if sufficient financial resources can be marshalled.

It is my belief that programs such as this one could have a major impact in urban areas in New Jersey. Almost half of all poor children in my home State have no public or private health insurance. Many poor children, even those with coverage, do not have access to quality and timely health services. Less than 3 children in 10 under the age of 5 in Newark have received the full recommended course of childhood immunization.

Mr. President, we simply must find better ways to reach out to very poor children to make sure that they receive basic services such as health care. As a nation, we cannot tolerate losing an entire generation of children to neglect and indifference. This legislation will support efforts to this end. I urge my colleagues to support it.

Mr. KOHL. Mr. President, I am proud to join my distinguished colleague Senator DODD in supporting the Primary Pediatric Care for Disadvantaged Children Act of 1989. In the fight to give all of our Nation's children the quality health care which they deserve, this legislation addresses an urgent and growing need.

Children are America's most valuable and vulnerable resource. Quality health care from the first day of their lives should be their birthright. However, millions of children are denied this birthright every day. As we all know, proper health care is critical for the development of our children.

Without access to decent medical care, our Nation's children are at risk of falling into an unbreakable lifetime cycle of poverty, disease, pain, and despair.

We do have programs to help children living in poverty receive health care. But far too many poor and homeless children are not being reached by these worthy and effective programs. In 1986, less than one-half of all children in poverty under age 13 were covered by Medicaid. In 1986, over 12 million children had neither public nor private health insurance. And with the escalation of health care costs, coupled with our own failure to provide comprehensive access to health care, we can only expect those numbers to rise. Despite our past successes with immunizations, growing numbers of preschoolers who are not receiving immunizations against diphtheria, tetanus, pertussis, polio, mumps, measles, and rubella threaten a return of those communicable diseases. Preventive health care is still a luxury for millions of American families with children.

No one can deny that we need to expand outreach efforts to offer pediatric health care services to disadvantaged children. The question is how to accomplish this goal. This legislation offers a creative and flexible response and that response would reach beyond our limited abilities to serve those under the poverty line.

Under this bill, we would provide grants to local agencies and programs which have demonstrated their effectiveness in identifying and reaching disadvantaged children needing better health care. The funding would be Federal, but the help would be tailored to address local needs and conditions. This is an ideal way to meet the health care demands of all our Nation's disadvantaged children.

Until now, we have relied primarily on private sector funding to support pediatric health outreach programs. However, to keep existing programs strong and to foster similar projects, our Government must provide a solid, stable source of funding. There is a limit to the help that our Nation's thousand points of light can provide. The health of our children is far too valuable to risk should these lights ever flicker.

It's a simple investment, Mr. President. I urge my colleagues in joining us in redoubling our commitment to the health and well-being of our Nation's children.

Mr. D'AMATO. Mr. President, I rise today as an original cosponsor of legislation to bring basic health care to some of our Nation's most disadvantaged children. Inspired by a successful New York program that delivers health care to children in the city's welfare hotels and shelters, the Pedi-

atric Outreach and Primary Health Care for Disadvantaged Children Act will fund the establishment of similar outreach programs for children around the country.

The New York program—known as the New York Children's Health Project—relies on two mobile medical vans to deliver high-quality, comprehensive primary care to 5 to 6 thousand high-risk children. These mobile medical units are operated and maintained by the New York Hospital-Cornell Medical Center, and staffed by pediatricians, nurse practitioners, and nurses of the department of pediatrics.

In addition to primary care, the project provides an extensive followup system, and a variety of special services including adolescent and mental health services, as well as child abuse and substance abuse prevention.

In just over 2 years of operation, the project has brought previously unavailable services to countless children in need. In 1989 alone, project staff made approximately 9,000 medical and nursing visits and 2,000 followup contacts. They immunized more than 2,200 children, and referred over 450 children to backup hospitals for additional care.

The New York Children's Health Project represents a concept that works. I commend my colleague, Senator DOMP for recognizing the merits of this concept, and for introducing the Pediatric Outreach and Primary Health Care for Disadvantaged Children Act to ensure its adaptation in regions across the country.

I encourage my colleagues to join in this effort to help meet the needs of our Nation's medically underserved children.

By Mr. McCONNELL:

S. 2055. A bill to amend the National School Lunch Act to extend eligibility for reimbursement for meal supplements for children in afterschool care, and for other purposes; to the Committee on Labor and Human Resources.

CHILD NUTRITION ASSISTANCE BILL

● Mr. McCONNELL. Mr. President, because of a growing number of dual-career and single parent families, there is an increasing need for child care. In 1968, Congress began the Child Care Food Program [CCFP] as an addition to the National School Lunch Act. Authorized under section 17 of the National School Lunch Act, the Child Care Food Program provides funds for food service to children in child care centers and family and group day care homes.

This has been an enormously successful and popular program. CCFP presently serves 1.2 million children of which nearly 120,000 are from low-income families. Major scientific studies have proven that children who participate in the CCFP benefit nutrition-

ally. Furthermore, CCFP is the only Federal program which establishes nutrition standards for meals served to preschool children in family day care. CCFP among other child nutrition programs are not only nutritiously beneficial but also economically beneficial. According to the Committee for Economic Development, every dollar spent in early intervention saves \$5 in remedial education, welfare, and crime control.

Mr. President, I believe that my colleagues will agree it is of utmost importance to ensure that our Nation's children receive proper nutrition. Unfortunately, certain inequities exist that prevent this from happening. Currently, students participating in after school programs are not eligible for the same benefits as their classmates who leave school and go to a child-care facility. Children enrolled in CCFP receive a nutritious snack between lunch and dinner, whereas kids in afterschool programs do not, and I do not believe this is fair. For this reason, I am introducing a bill to amend the National School Lunch Act to extend eligibility for reimbursement for meal supplements for children in afterschool care.

In May 1989, I introduced legislation intended to benefit millions of children nationwide by providing them with nutritious meals. This legislation, which was incorporated in a child nutrition bill that became law last fall, will begin to address the nutritional needs of our children. However, more can be done. In this wealthy and prosperous nation, it is an unacceptable tragedy that thousands of children are forced to go hungry.

The bill I introduced regarding the School Breakfast Program provides students with a nutritious breakfast thus increasing their academic performance. It is my intention that the legislation I am introducing today will further provide and enhance children's academic ability. By continuing these programs to furnish children with a steady, solid diet, we improve their performance in school, keep them healthy, and ultimately give them the chance they deserve to succeed in life. ●

By Mr. HARKIN (for himself, Mr. HATCH, Mr. PELL, Mr. DURENBERGER, Mr. KENNEDY, Mr. COCHRAN, Mr. SIMON, Mrs. KASSEBAUM, Mr. BURDICK, Mr. KERRY, Mr. ADAMS, Mr. CHAFEE, Mr. GRAHAM, Mr. LEAHY, and Mr. HATFIELD):

S. 2056. A bill to amend title XIX of the Public Health Service Act to provide grants to States to establish and implement State health objective plans, and for other purposes; to the Committee on Labor and Human Resources.

HEALTH OBJECTIVES 2000 ACT

Mr. HARKIN. Mr. President, I rise today on behalf of myself, Senator HATCH, Senator PELL, Senator DURENBERGER, Senator KENNEDY, Senator COCHRAN, Senator SIMON, Senator KASSEBAUM, Senator BURDICK, Senator KERRY, and Senator ADAMS, Senator CHAFEE, Senator GRAHAM, Senator LEAHY, and Senator HATFIELD to introduce the Health Objectives 2000 Act.

Americans are far healthier now than 100 years ago thanks to a virtual revolution in public health and medicine during this century. We have seen life expectancy increase by some 29 years. We have made monumental gains in understanding the leading causes of death and disability and the means by which they might be prevented.

As a nation, we no longer measure our health solely by mortality rates and average longevity, but also by the quality of our life and the impact of illness on our economic productivity. Our next opportunity to make substantial gains in public health lies in health promotion, and the prevention of premature disability and death. Many are calling this the "second revolution" of public health in America.

However, there is a growing concern that as a nation we have lost sight of our public health goals—that our national commitment to public health is neither clearly defined, adequately supported, nor fully understood. We are failing to embark upon the "second revolution" and, at the same time, are at risk for losing the gains of the first.

Two years ago, the Institute of Medicine [IOM] published the most comprehensive assessment of public health in the Nation today. The IOM report conveys a sense of urgency to the Congress and to the American people. Public health is a vital function that is in trouble. The Institute of Medicine reports that the gains of our public health programs have been taken for granted, and public health responsibilities have become so fragmented that deliberate action is often difficult if not impossible.

It is time for action. Many major health problems remain unresolved. We are not the helpless victims of death and disease. We have it in our power to reduce significantly deaths and disabilities due to feared killers such as heart disease, stroke, emphysema, cancer, accidental injury, and other similar assaults on our health.

My colleagues and I are calling for a renewed national effort to prevent the most common and costly causes of disease, disability, and death. The Health Objectives 2000 Act, which we are introducing today, is far-reaching in its efforts to move toward a healthier America.

We are proposing an all-out effort to implement the Nation's health objectives for the year 2000. Many health-care professionals in America will have had their say in developing these objectives through a series of regional hearings jointly convened by the Institute of Medicine, part of the National Academy of Sciences, and the Public Health Service. When the Surgeon General publishes them in final form in July 1990, they will reflect the input of more than 200 national membership organizations and all the State and territorial health departments, some 7,000 individuals in all.

I am proud to be joined in this effort today by Senator KENNEDY, the chairman of the Committee on Labor and Human Resources. Senator KENNEDY is second to none in this body in his commitment to high quality health care that is affordable and available to all Americans.

It means a great deal to me, also, to be joined by Senator HATCH, the ranking member of the Committee on Labor and Human Resources, with whom I have worked closely on a number of important issues. Senator HATCH has done much to promote better health, including efforts to improve prenatal care, home care, and promote better nutrition.

Senator PELL, who has been a steadfast supporter of legislation promoting the health of Americans, joins with us also in introducing the Health Objectives 2000 Act. I look forward to working with Senator PELL on this important legislation, and with my other distinguished colleagues who join me in introducing this bill today.

I want to also express my appreciation to the Association of State and Territorial Health Officials who took a leadership role in developing this bill.

Americans want to be healthy. We try to be healthy. As individuals we are conscious of our own personal health status—our cholesterol levels, our ideal weight, how much exercise we need, what sort of diet is best for us. As a Nation, we are acutely aware of the need for a healthy workforce, in order to maintain our health levels of productivity, and our competitive stance in a world market.

Yet we are faced with growing concerns about low-level radiation, polluted air and water, and cancer causing chemicals in our food. Many of us fear that our standard of living has increased at the expense of our health, and many Americans are reporting higher rates of disability and dissatisfaction than in the past. Modern technology has created both real and potential health hazards.

Nevertheless, we have made impressive gains in the health status of Americans during this century. We have more opportunity to live longer, healthier, and more productive lives.

As someone once said, "Modern life sure beats old fashioned death".

This legislation will help cut America's medical bills, too. Since the 1970's the cost of health care has skyrocketed. The Government now spends 25 times as much on health care as we spent 25 years ago. Total health care spending in the United States is more than a half-trillion dollars, with all but 3 percent going to treat rather than prevent disease and disability.

Americans spend nearly three times the amount that citizens of the United Kingdom spend on health care. Health care in America, as percent of gross domestic product, is greater than Sweden, France, Canada, The Netherlands, Germany, Norway, Japan, and the United Kingdom. Yet Americans aren't necessarily any healthier. Death due to heart disease is 40 percent higher in the United States than it is in France and Switzerland—and costs Americans more than \$70 billion a year.

The societal costs of preventable disease cost Americans more than \$680 billion annually. If more efforts to promote health and prevent disease and disability can result in even a 1 percent reduction, that means we can save more than \$6.8 billion each year.

Our strained national pocketbook can no longer continue to support illness at the expense of wellness. The Health Objective 2000 Act represents a national commitment to support health in America, and at the same time, control our rising health care costs.

America has a proud history of public health which forms the basis for our renewed effort today. Our national public health system has, for many years, worked to prevent disease, and promote healthful environments, behavior and lifestyles. During our lifetime we have seen a substantial reduction in the death rate from infectious disease thanks to water purification, mass immunizations, and other public health measures. As a result, people live longer, and are more likely to succumb to chronic disease or become disabled. And much of that disease and disability is preventable.

Nationally, more than 1 million people die each year—nearly 52 percent of all deaths—as a result of stroke, coronary heart disease, diabetes, chronic obstructive pulmonary disease, lung cancer, breast cancer, cervical cancer, colorectal cancer, or cirrhosis.

We know what to do to prevent these killers. Cigarette smoking is responsible for about 30 percent of the nearly 500,000 deaths from cancer each year. Diet has been linked to cancer, heart disease, and stroke. We can prevent deaths due to cirrhosis by reducing the consumption of alcohol.

Far too many of our citizens, especially young people, die or experience

disabilities as a result of vehicular accidents and work related injuries. Accidents are the leading cause of death during the first four decades of life. Injuries are the most common cause of death for children ages 1 to 14. We have it within our power to prevent this tragic loss of life.

Americans are living longer. We need to help them live healthier. My own State of Iowa has the highest percentage of the population over the age of 85. In so far as health care is concerned for our elderly citizens, there is a small number of people who require a great deal of expensive care and a much larger number of people who use few, if any health care services. By preventing disease among the elderly, postponing dependence, and promoting vitality, we can improve the quality of life of our senior citizens, many of whom reside in rural America, while reducing the cost of health care.

Iowa exceeds the national average of deaths due to work-related injuries and deaths due to smoking. In fact, injuries, followed by cancer and heart disease, are the leading cause of years of potential life lost in my state. Because we are a rural State, with a strong agricultural economy, farm-related injuries are a special concern of mine—and contribute substantially to the high rate of work-related injury in Iowa. We can improve the health of our rural citizens through better health promotion and injury prevention programs.

Our Iowa State health department is hard at work on many of these important issues. They are doing a great job with programs such as hypertension screening, through which they have identified 2,113 new cases, many among the elderly. I am committed to helping them do an even better job. Mary Ellis, the director of our Department of Public Health, commenting on the Health Objectives 2000 Act, wrote to me, "It is very important for Iowa citizens and for health care in the United States."

Mr. President, American health care—its quality, its availability, and its cost—are top concerns for us all. Too often, though, we react to bad news rather than plan for a healthier future. We tinker with parts of the system in trouble, and don't do enough toward accomplishing our own national health goals.

The bill my colleagues and I introduce today looks to the year 2000 and says, "These are our goals and these specific objectives will help us achieve them."

Five broad national goals are proposed:

Reduce infant mortality to no more than 7 deaths per 1,000 live births versus as compared to 10.4 per 1,000 live births in 1987;

Increase life expectancy to at least 78 years versus 74.9 years in 1987;

Reduce disability caused by chronic conditions to a prevalence of no more than six percent of all people instead of the estimated 8.9 percent in 1987;

Increase years of healthy life to at least 65 years rather than 60 years in 1987;

Decrease disparity in life expectancy between white and minority populations to no more than 4 years as opposed to 5.8 years in 1987.

More than 200 objectives in 21 categories aim toward these goals. They address priorities in health promotion, health protection, preventive services and system improvement. All of our citizens stand to benefit, but especially the very young, older Americans, and those who are most at risk of disease because of the lack of access to medical care.

The Health Objective 2000 Act offers an opportunity for us to improve the quality of our information and develop better methodology for attacking the problems that assail our health. We know a lot about the outcomes that result in death, but not as much about the outcomes that result in disability. We need to know more about how environmental noise affects hearing loss, for example. We know how many children die from drowning, but we don't know how many children there are who are substantially disabled as a result of near drowning.

The bill provides funding to designated official State public health agencies, based upon state plan target objectives which are consistent with the year 2000 objectives and yet tailored to State needs. These funds will help States carry out their objectives, and help them monitor and evaluate the impact of their efforts. In addition, funds are designated for the professional training of public health personnel and to provide assistance for research, and for pilot and demonstration projects and programs approved by the Secretary of the Department of Health and Human Services for the purposes of demonstrating the potential impact of regional or national efforts to improve the health status of American citizens as set out by the national health objectives.

States are encouraged to form partnerships with Federal, State, and local health agencies, voluntary health organizations, and other health groups in order to develop initiatives that are set out in the State plan, enabling them to address national health policy issues and assess the health status of the population in their State and nationally.

An advisory committee will be established by the Secretary of DHHS, known as the National Health Objectives Advisory Committee, to advise regarding national health priorities.

The act authorizes \$300,000,000 for fiscal year 1991, increasing \$25 million each year with a \$400,000,000 authorization if fiscal year 1995. Ninety percent of appropriated amounts are to be used for allotments to the designated official State public health agencies. Allotments are to be used to develop and implement a State plan, develop and collect data to assess public health needs and status of individuals residing in the State; provide assistance and planning necessary to projects and programs described in the State plan; and provide for carrying out projects and programs described in the State plan. Ten percent of appropriated amounts are to be used for training, research, and the development of pilot and demonstration programs.

The Preventive Block Grant Program becomes part of this act, at the time it is due to be reauthorized, on October 1, 1992.

Mr. President, I ask unanimous consent that the list of organizations supporting this legislation be printed in the RECORD at this time, and I look forward to working with my colleagues on this important initiative.

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

- Association of State and Territorial Health Officials.
- American College of Preventive Medicine.
- American Dental Association.
- American Lung Association.
- American Public Health Association.
- Association of Schools of Public Health.
- Association of State and Territorial Dental Directors.
- Association of State and Territorial Directors of Nursing.
- Association of State and Territorial Directors of Public Health Education.
- Association of State and Territorial Public Health Laboratory Directors.
- Association of State and Territorial Public Health Nutrition Directors.
- National Association of County Health Officials.
- U.S. Conference of Local Health Officers.
- U.S. Conference of State and Territorial Epidemiologists.

Mr. HATCH. Mr. President, I rise today to cosponsor and support the introduction of the Health Objectives 2000 Act. I am pleased to join my colleagues in this bipartisan effort because we must place a greater emphasis on health promotion and disease prevention.

It is important to work together in Congress to facilitate efforts to prevent disease and promote a healthy lifestyle. As a nation, we spend approximately 12 percent of our gross national product on health care. Only a small fraction of that amount is spent on prevention efforts. We can no longer afford to emphasize only the treatment part of the health-care equation while putting so few resources into less costly prevention activities.

The Health Objectives 2000 Act builds upon a program that is already in place, the preventive health and health services block grants. States have been working on prevention efforts, and many have coordinated such efforts with 1990 health objectives that were developed by the Public Health Service in 1980. In my State of Utah, programs have been developed in the area of prevention for cardiovascular disease and hypertension control. These programs have been effective, because the death rate due to premature cardiovascular disease has decreased in Utah by 21.7 percent since 1981.

This bill would allow States to go beyond these efforts and, in partnership with local agencies, achieve the goals for improved public health that will be set by the health objectives for the year 2000 project. This bill will ensure a concerted national effort for the States, localities, and the Federal Government to work together in addressing the most pressing public health issues that face this Nation.

I am pleased to support this effort along with my colleagues and the Association of State and Territorial Health Officials who believe that this bill will provide the mechanism for increased interagency and intergovernmental cooperation. Coordination and cooperation are key objectives if we are to upgrade health promotion and disease prevention efforts in this Nation.

Mr. PELL. Mr. President, I am delighted to join Senators HARKIN and HATCH, my colleagues on the Senate Labor and Human Resources Committee, in introducing what I believe to be essential and comprehensive legislation to promote better health and prevent disease and injury.

For too long, Mr. President, health promotion and disease prevention activities have taken a back seat to other health concerns. We all agree that research is crucial; we all know that treatment is an absolute necessity. But we are now suffering the consequences of our unwillingness to take the third and crucial step of preventing, when we can, disease and injury.

Mr. President, today is a red letter day for public health. The introduction of this crucial legislation marks a turning point in our national health agenda. For too long, the Federal Government has been reactive—waiting for disease or injury to strike and take its toll on our families and on our society—before responding with the necessary alarm and action. Our legislation would guarantee the Federal Government's commitment to providing desperately needed resources to help prevent the illness, suffering, and cost of disease and injury.

Our bill would provide grant funds to State and territorial health agen-

cies to implement comprehensive prevention activities in 21 areas: Reduce tobacco use; reduce alcohol and other drug abuse; improve nutrition; increase physical activity and fitness; improve mental health and prevent mental illness; reduce environmental health hazards; improve occupational safety and health; prevent and control unintentional injuries; reduce violent and abusive behavior; prevent and control HIV infection and AIDS; prevent and control sexually transmitted diseases; immunize against and control infectious diseases; improve maternal and infant health; improve oral health; reduce adolescent pregnancy and improve reproductive health; prevent, detect, and control high blood cholesterol and high blood pressure; prevent, detect, and control cancer; prevent, detect, and control other chronic diseases and disorders; maintain the health and quality of life of older people; improve health education and access to preventive health services; and improve surveillance data systems. The funds would also be used to ensure coordination between Federal, State, and local health agencies and other groups.

Mr. President, currently only about 3 percent of Federal health expenditures and less than one-half of 1 percent of total health care expenditures nationwide are used for prevention efforts. It seems to me that the Federal Government is not doing nearly enough for States like Rhode Island, which could benefit enormously from a commitment to health promotion and disease prevention activities. A recent report by the Federal Centers for Disease Control [CDC] found that in 1986, Rhode Island's death rate from nine major chronic diseases ranked ninth among all States. The CDC indicated in that report that many deaths from these diseases could have been prevented by changes in lifestyle. I would ask unanimous consent at this time to insert in the RECORD an article written by James M. O'Neill which appeared in the Providence Journal on January 21, 1990, entitled "R.I.'s Chronic-Illness Deaths Ninth-Highest in the Nation."

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

R.I.'S CHRONIC-ILLNESS DEATHS NINTH-HIGHEST IN THE NATION

(By James M. O'Neill)

PROVIDENCE.—Rhode Island had the ninth-highest death rate in the nation in 1986 from nine diseases that caused more than half of all U.S. deaths that year, a federal report says.

The report notes that 5,748 Rhode Islanders died of chronic disease in 1988, the most recent year for which figures are available, compared with 2,817 in Hawaii, which had the lowest death rate in the study and has a population about the same as Rhode Island's.

Rhode Island's death rate per 100,000 population from these diseases was 490.99, greater than the national average at 457.6 and far higher than Hawaii's 326.80.

The nine chronic diseases included in the report, issued Friday by the federal Centers for Disease Control, in Atlanta, were stroke, heart disease, diabetes, chronic obstructive pulmonary disease, lung cancer, female breast cancer, cervical cancer, colorectal cancer and cirrhosis.

The report emphasizes that deaths from some of these diseases, including breast and cervical cancer, are largely preventable by life style changes.

The major factor in Rhode Island's high mortality rate in 1986 was its death rate from heart disease. The state ranked third nationally, with 3,346 heart disease-related deaths.

The rate of deaths from breast cancer in Rhode Island—the second-highest in the country—also contributed to the state's high mortality ranking.

And while the state's rate of cigarette smoking is now comparable to the rest of the nation, Rhode Island's smoking rate was significantly higher in the mid-1970s.

"How we used to smoke, not our current smoking patterns, is reflected in the lung cancer and heart disease death rates we see today," said Dr. H. Denman Scott, state director of health.

Health officials stressed the fact that eating habits and smoking are directly related to several of the chronic diseases, and the federal report noted that smoking alone is responsible for one-third of the deaths from all nine of the chronic diseases in the study.

They say proper diet, exercise and not smoking, can, in the long run, help prevent these diseases from occurring.

The state has made some efforts to help residents combat these diseases. In November of 1987, the Department of Health began a program to encourage breast cancer screening, the first such effort by a state.

And the Health Department proposed a cancer-fighting program last October with the goal of reducing cancer mortality by 33 percent by the year 2000. Jay Buechner, chief of health statistics for the Health Department, said that will include a smoking-prevention effort aimed at youths and work-site programs to help people quit smoking.

Rhode Islanders are more susceptible to the chronic disease because the state is largely urban. Health experts say that living in an urban area can lead to a lifestyle that will often cause chronic diseases to occur.

"There have been big differences between urban and rural areas since the 1950s, and before, that have an impact on how lifestyle patterns develop," Buechner said. "You're more likely to get fresh vegetables in a rural area and more likely to exercise. Rhode Island ranks high in the proportion of its population that leads a sedentary lifestyle. And in terms of occupations, you may have been exposed to more things through jobs in an urban area, especially in factories."

He said those in urban areas are more likely to smoke and use alcohol because there's a greater chance they'll be exposed to it by their peers.

The report released Friday is the last in a series that the CDC has issued over the past year on chronic diseases.

Mr. PELL. Mr. President, as we begin this new decade and look ahead to the 21st century, we have a clear picture of where our public health

needs are, and very fortunately, we have the ability to achieve many of them. Now what is needed is a recognition among policymakers that disease prevention, in this era of spiralling health costs, makes good health policy and imperative fiscal policy.

In 1989, the Surgeon General recognized just that point. He reported that the societal costs of preventable disease are approximately \$681.85 billion annually. Mr. President, if our prevention efforts can result in even a 1-percent reduction in these costs, this Nation could save some \$6 billion annually. This is a prudent investment indeed, and one which promises a return on more than our health care dollar alone. Better health and increased worker productivity are only two of the many benefits we can expect.

I realize that in these times of severe budget constraints the bill's \$300 million price tag is by no means insignificant. But it is small in comparison with the measurable cost of preventable disease, and it is surely small when compared with the devastating pain suffered by those afflicted with cancer, heart disease, and other chronic diseases that might have been prevented.

Mr. President, I am immensely pleased that our legislation has received support from numerous distinguished public health professionals and organizations. I know that Senator HARKIN, who has been a leader in public health and in the effort to bring this important legislation before the Senate, has already inserted into the RECORD a list of some of those groups. But I would be remiss if I did not mention the special role of the Association of State and Territorial Health Officials [ASTHO], an organization representing the health directors of every State and U.S. territory. Under the leadership of its president, Dr. H. Denman Scott, ASTHO has been the moving force behind this legislation. I am delighted that Dr. Scott, whom I know and respect enormously as the excellent director of health for the State of Rhode Island, has played a significant role in the development of this legislation, and I look forward to working with him to make this important legislation part of our national health agenda.

Mr. SIMON. Mr. President, I rise today as a cosponsor of the Health Objectives 2000 Act. This bill represents a commitment on the part of the Federal Government to allocate resources toward solving the major public health problems in our society.

This bill identifies 21 priority areas. Some of the critical areas to be addressed include smoking, alcohol and drug abuse, maternal and infant health and mental and behavioral disorders. The continued presence of

these problems has had a significant impact on our society. The direct health care and indirect productivity cost of smoking to society is between \$38 and \$95 billion. For alcohol abuse, estimates from 1983 indicate that it cost us \$116.7 billion, while drug abuse cost us approximately \$59.7 billion. These figures only represent the price associated with three areas. If we were to sum the costs associated with all the priority areas, the financial toll to our society would be staggering.

As the recent Institute of Medicine report, *The Future of Public Health* stated, health is both a social responsibility as well as an individual responsibility. The reality is that we will never be able to eradicate the major diseases and illnesses by treatment alone. The incidence of diseases can only be reduced and eventually eliminated by prevention efforts, and until we face that reality head on, these diseases and illnesses will continue to drain our society.

Mr. BURDICK. Mr. President, I am pleased to be an original cosponsor of the Health Objectives 2000 Act.

Today, the United States spends 75 percent of its health care dollars on the treatment of heart disease, strokes, and cancer. All of these illnesses can be prevented by modifying an individual's behavior. Yet less than 0.5 percent of our health care resources are spent on programs of disease prevention.

Health Objectives 2000 is the result of a combined effort by the Public Health Service, over 200 national membership organizations, and all State and territorial health departments to create a single set of national health objectives to be met by the year 2000. These objectives will stress preventive health services, health protection, and health promotion. Funds will be available to State and territorial health agencies to focus on those objectives which most reflect the priorities of their State or territory.

In 1988, my home State of North Dakota joined seven other Western States in the Rocky Mountain Tobacco-Free Challenge, an unprecedented effort to reduce tobacco use in the Rocky Mountain region of the United States. To meet this challenge, the Dakota Department of Health developed a guide for establishing worksite smoking policies, a workshop for teachers on smoking prevention curricula, and a tobacco and smokeless tobacco prevention media campaign. North Dakota was declared overall winner of the challenge during its first year and also received awards in 5 out of 12 categories for outstanding tobacco control activities undertaken by individuals and organizations. This is one example of North Dakota's continuing interest in promoting health protection measures, and, with the implementation of the Health Objectives

2000 Act, we hope to do even more in the future.

This century has already seen substantial improvement in the health of Americans through public health measures such as epidemic disease control and increased efforts to assure a safe food and water supply. By stressing the necessity of developing and maintaining good health habits, we have the opportunity not only to further improve the health of the Nation, but to significantly reduce our health care costs as well. I urge my colleagues to support this important piece of legislation.

Mr. ADAMS. Mr. President, discussions surrounding the status of health care in our country paint a gloomy picture. Indeed, the problem is so overwhelming that one frequently comes away from such talks feeling that the current health care crisis is nearly insurmountable.

As we examine whether or not this crisis calls for a complete overhaul of our health care delivery system, we must recognize that every day an American who lacks health insurance gets sick and relies on the health care provided through State and local health agencies and other organizations with Federal support from the Public Health Service.

In 1980, we established the National Objectives for 1990 setting forth public health goals this year, 1990. Unfortunately, these objectives have not been achieved and a stronger Federal commitment to these goals is mandatory.

For this reason, I am pleased to be a cosponsor of the Health Objectives 2000 Act, which Senator HARKIN is introducing today and will help State agencies prioritize the health care needs of their State. The Health Objectives 2000 Act implements the national health objectives for the year 2000 by requiring States to submit a specific list of health goals and detailed plans to achieve those goals, as well as a budget including State, local, and other organizations working to meet public health needs.

With 37 million Americans and 720,000 Washingtonians living day to day without any form of health insurance and millions of others who have inadequate coverage, the strain on public health agencies and organizations is already substantial and will continue to grow. With this in mind, it is of utmost importance that we act now to address our nationwide and State-specific public health needs and distribute scarce funds as effectively as possible.

Mr. KENNEDY. Mr. President, I am pleased to join my colleagues in introducing the Health Objectives 2000 Act. As we enter this new decade of the 1990's and move toward the year 2000, the benefits of health promotion and disease prevention are increasingly

recognized by people around the country. Almost weekly, research results are released in the news media about the benefits of lower cholesterol, increased exercise, avoiding tobacco use, using seatbelts, getting medical screening tests, and changing other habits. Many individuals throughout the Nation are taking action in these areas to reap the potential benefits for themselves and their families. If the entire population could benefit from changes in diet, habits, and health care, the savings to the Nation—in years of healthy life and in dollars—would be enormous.

Several years ago, the Surgeon General and the Department of Health and Human Services realized the potential health benefits of mobilizing the country to improve our public health. These goals were summarized in 1980 in the first set of health objectives for the Nation for the year 1990. The original goals included reducing smoking, increasing seatbelt use, expanding the use of prenatal care, and many other well known objectives. Though progress has been made in many of these goals, greater effort is needed. The end of the 1980's provided The Department of Health and Human Services with an opportunity to look backward and forward, to reassess, to take stock of our progress, and to set new goals for the year 2000. Now that they have done this, we must address the question of how we will meet these goals.

Leadership is essential and the bill that we introduce today is one of many efforts to provide it. State health departments and local health departments are the focus of the bill. They serve on the front lines and are essential to moving the Nation toward the objectives for the year 2000.

Many health services are already highly organized into effective networks through specialized disease centers and academic health science centers. This is not true for health promotion campaigns and preventive health services. State health departments throughout the country are the best position to see that they are run efficiently and effectively.

Ten years a financial squeeze on the resources of public health departments has left many State health departments with no choice but to limit activity and focus resources on providing health services to the growing number of uninsured individuals, or responding to environmental and public health crises as they occur. The structure of public health departments makes them ideal to do much more than this, if they have additional resources and their roles can be expanded.

Our bill provides financial assistance and an incentive to such departments so they could expand their operations

and become the focus of leadership for achieving the Nation's health objectives for the year 2000. The bill proposes that each State devise its own plan on the national objectives most relevant to its own citizens. The bill proposes that State health departments conduct systematic campaigns to achieve these goals. A plan is required. Means of evaluation are required. And systematic reporting is encouraged in an effort to make them as effective as possible.

The benefits from this approach are large but they will not materialize overnight. Objectives for the year 2000 provides us with a 10-year period to move carefully and decisively to achieve our goals. State health departments and local health departments are the key to realistic progress. This bill puts them in a position to implement this most important mission for us. I hope my colleagues will join me in supporting this well-thought-out initiative.

By Mr. BRYAN:

S. 2057. A bill to amend the Securities Exchange Act of 1934; to the Committee on Banking, Housing, and Urban Affairs.

SMALL INVESTOR PROTECTION ACT

Mr. BRYAN. Mr. President, today I am introducing legislation entitled the Small Investor Protection Act of 1990. This legislation would grant the Securities and Exchange Commission [SEC] the powers to crack down on abuses in the penny stock market. It is estimated that penny stock fraud costs Americans \$2 billion a year and is clearly the No. 1 threat facing small investors in the United States.

Penny stocks are low priced, usually trading under \$3 per share and are not traded on any of the major exchanges. Therefore, it is extremely difficult for the small investor to obtain information on penny stock companies, and thus the stocks are ripe for manipulation.

While my legislation deals with problems associated with the penny stock market, I should note that the market does in some instances serve a legitimate and important purpose—the capital funding of small, entrepreneurial companies.

However, there is a growing concern about the decreasing participation of individual investors in the stock market. Small investors are now skeptical about participating in the stock market because they perceive it, perhaps rightly so, to be dominated by institutions and insiders and rigged against them. As small investors are driven from the stock market, it becomes harder for businesses to raise capital, and fewer and fewer individuals benefit when our economy prospers.

I applaud SEC Chairman Richard Breeden for his efforts to bolster con-

fidence in the financial markets through protection of the small investor. The SEC's new antifraud cold calling rule which took effect in January should help curb many of the abuses. I believe this legislation complements this rule and will give the SEC the authority it needs to combat small investor fraud.

The legislation would take several important steps:

Eliminate blank check blind offerings;

Require enhanced and more meaningful disclosure of such circumstances as affiliations between the company and the selling broker-dealer;

Grant the SEC cease-and-desist authority;

Grant the SEC the authority to prohibit those who have been convicted of securities fraud from participating in the issuing or selling of penny stocks.

I am working on provisions to add to the bill at a later date that would require automated quotations for all publicly-traded securities.

On February 8, I will chair a hearing in the Banking, Housing, and Urban Affairs Committee on penny stock fraud. I welcome comments on this legislation and will work to refine it with interested parties.

I commend the work of the North American Securities Administrators Association. Their excellent work is the foundation for much of this legislation.

I am optimistic that this legislation will help eliminate fraudulent and abusive sales practices in the penny stock market.

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

S. 2057

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 "Small Investor Protection Act of 1990".

SEC. 2. BLANK CHECK BLIND POOLS.

(a) REGISTRATION.—Section 12(a) of the Securities Exchange Act of 1934 (15 U.S.C. 781(a)) is amended—

- (1) by inserting "(1)" after "(a)"; and
- (2) by adding at the end the following:

"(2) The Commission is authorized to deny registration of a security if it finds that 80 percent or more of the net offering proceeds, as defined by the Commission, is not specifically allocated for the purchase, construction, or development of identified property or products, for the payment of indebtedness, for the payment of overhead expenses, or for other activities set forth in the issuer's business plan."

(b) MARKET MAKING.—Section 15 of the Securities Exchange Act of 1934 (15 U.S.C. 78o) is amended by adding at the end the following:

"(g) No broker or dealer shall make use of the mails or any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or sale of, any security that is denied registration under section 12(a)(2)."

SEC. 3. DISCLOSURE TO CUSTOMERS; DISCIPLINARY HISTORY.

(a) IN GENERAL.—Section 15 of the Securities Exchange Act of 1934 (15 U.S.C. 78o) is amended by adding at the end the following:

"(h) Each registered broker or dealer shall—

"(1) prepare and send to each customer an account statement for each month in which a transaction occurs involving that account;

"(2) when the bid/ask differential of any security offered exceeds 25 percent, disclose that fact on the confirmation delivered to the buyer of that security;

"(3) before opening a new customer account, disclose in writing any disciplinary action taken against the broker or dealer during the preceding 5 years resulting from an administrative or judicial proceeding in which a violation of securities laws was found; and

"(4) before taking a buy order on a security, disclose to the customer any business relationship between the broker or dealer and the issuer."

(b) ACCESS TO INFORMATION.—Section 15A of the Securities Exchange Act 1934 (15 U.S.C. 78o-3) is amended by adding at the end the following:

"(i) A registered securities association shall establish and maintain a toll-free telephone listing to receive and respond to inquiries from customers and the public regarding disciplinary actions involving its members."

SEC. 4. CEASE AND DESIST AUTHORITY.

Section 21 of the Securities Exchange Act of 1934 (15 U.S.C. 78u) is amended by adding at the end the following new subsection:

"(i)(1) If the Commission has reason to believe that any broker or dealer or person associated with a broker or dealer is engaged or is about to engage in acts or practices constituting a violation of—

"(A) any provision of this title or the rules or regulations thereunder,

"(B) the rules of a national securities exchange or registered securities association of which such person is a member or a person associated with a member,

"(C) the rules of a registered clearing agency in which such person is a participant, or

"(D) the rules of the Municipal Securities Rulemaking Board,

it may in the public interest and for the protection of investors issue an order described in paragraph (2).

"(2) An order is described in this paragraph if it is an order which—

"(A) terminates the employment of an individual employed by a broker or dealer,

"(B) prohibits an individual from participating in the conduct of the affairs of a broker or dealer,

"(C) suspends the operations of a broker or dealer,

"(D) prohibits the disposition or transfer of any asset owned or held by such broker or dealer, or

"(E) requires the cessation of any other act or practice which constitutes a violation described in paragraph (1).

"(3) An order issued pursuant to this subsection shall contain a statement of facts constituting the grounds therefor and shall fix a time and place at which a hearing will be held thereon. Such hearing shall be fixed for a date not earlier than 30 days nor later than 60 days after the date of service of such notice.

"(4) An order issued under this subsection may become effective prior to a hearing under paragraph (3) if the Commission has reason to believe that such action is necessary to prevent dissipation of assets or irreparable injury."

SEC. 5. DISQUALIFICATION.

Section 15(b)(6) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(b)(6)) is amended by inserting after "associated with a broker or dealer" each place it appears the following: "or acting as a consultant to a broker or dealer".

SEC. 6. PROHIBITION AGAINST SERVICE AS AN OFFICER OR DIRECTOR.

(a) AUTHORITY OF A COURT TO PROHIBIT PERSONS FROM SERVING AS OFFICERS AND DIRECTORS.—Section 20(b) of the Securities Act of 1933 (15 U.S.C. 77t(b)) is amended by inserting after the first sentence thereof the following: "In any proceeding under this subsection, the court may prohibit, conditionally or unconditionally, either permanently or for such period of time as it shall determine, any person found to have violated any provision of this title or any rule or regulation thereunder from acting as an officer or director of or consultant to any issuer that has a class of securities registered pursuant to section 12 of the Securities Exchange Act of 1934 or that is required to file reports pursuant to subsection (d) of section 15 of such Act."

(b) AMENDMENTS TO SECTION 15(c)(4).—Section 15(c)(4) of the Securities Act of 1934 (15 U.S.C. 78o(c)(4)) is amended—

(1) by striking "or" the first time it appears; and

(2) by inserting after "15" the following: "or subsection (a) of section 16"; and

(3) by adding at the end thereof the following: "In such an order, the Commission may also prohibit, conditionally or unconditionally, either permanently or for such period of time as it shall determine, any person found to have failed to comply or to have been a cause of the failure to comply from acting as an officer or director of or consultant to any issuer that has a class of securities registered pursuant to section 12 of this title or that is required to file reports pursuant to subsection (d) of section 15 of this title, if the Commission finds that such prohibition is in the public interest."

(c) INVESTMENT COMPANY ACT OF 1940.—Section 42 of the Investment Company Act of 1940 (15 U.S.C. 80a-41) is amended by inserting after the first sentence of subsection (d) the following: "In any proceeding under this subsection the court may prohibit, conditionally or unconditionally, either permanently or for such period of time as it shall determine, any person found to have violated any provision of this title or any rule, regulation, or order hereunder from acting as an officer or director of or consultant to any issuer that has a class of securities registered pursuant to section 12 of the Securities Exchange Act of 1934 or that is required to file reports pursuant to subsection (d) of section 15 of such Act."

(d) INVESTMENT ADVISERS ACT OF 1940.—Section 209 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-9) is amended by inserting after the first sentence of subsection (d) the following: "In any proceeding under this subsection, the court may prohibit, conditionally or unconditionally, either permanently or for such period of time as it shall determine, any person found to have violated any provision of this title, or of any rule, regulation, or order hereunder or has aided, abetted, counseled, commanded, induced, or procured such a violation, from acting as an

officer or director of or consultant to any issuer that has a class of securities registered pursuant to section 12 of the Securities Exchange Act of 1934 or that is required to file reports pursuant to subsection (d) of section 15 of such Act."

By Mr. BRYAN (for himself, Mr. RIEGLE, Mr. GARN, Mr. DODD, Mr. HEINZ, Mr. CRANSTON, Mr. SHELBY, Mrs. KASSEBAUM, Mr. KERRY, Mr. D'AMATO, Mr. WIRTH, and Mr. BOND):

S. 2058. A bill to amend the Federal Deposit Insurance Act to regulate certain marketing activities engaged in on the premises of deposit-taking facilities of insured depository institutions; to the Committee on Banking, Housing, and Urban Affairs.

DEPOSITOR PROTECTION AND ABUSE PREVENTION ACT

Mr. BRYAN. Mr. President, I rise today to introduce the Depositor Protection and Abuse Prevention Act of 1990. I am pleased to announce that a majority of both the Democrats and Republicans on the Senate Banking Committee are original cosponsors of this legislation.

The act prohibits any federally insured depository institution from selling on its premises securities of an affiliated company. The legislation also gives the appropriate Federal banking agency the authority to restrict transactions which are likely to be confused by the general public with an insured deposit.

We have heard of too many cases where individuals intended to buy insured certificates of deposit, but were steered instead to buy high yield or so-called junk bonds. This is a blatant abuse of depositor trust.

In California alone, some 23,000 individuals bought more than \$200 million in uninsured bonds. Many of these individuals were elderly and invested their life savings. These bonds are now worthless. If this problem is not addressed, thousands more individuals across the country may find themselves swindled out of their hard-earned money.

In early December, I wrote Secretary Brady asking him to immediately take administrative steps to curb this kind of activity. On Monday, I received his response which indicated that the Treasury Department is studying the matter. I again urge the Secretary to act swiftly to use his existing powers to curb this practice. Mr. President, I request that his letter be made part of the RECORD at the conclusion of my remarks.

American taxpayers will be spending billions of hard earned money to bail out the savings and loan industry. The sale of junk bonds and other uninsured products by S&Ls seriously undermines the faith in these institutions and will only serve to exasperate the problem.

Mr. President, we cannot allow unsuspecting depositors to be put in a position where they are misled and confuse junk bonds with insured accounts. I am confident that this legislation will help protect the public from unscrupulous operators.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD.

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

S. 2058

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 "Depositor Protection and Abuse Prevention Act of 1990".

SEC. 2. REGULATION OF CERTAIN NONDEPOSIT MARKETING ACTIVITIES IN PUBLIC AREAS OF RETAIL BRANCHES OF INSURED DEPOSITORY INSTITUTIONS.

Section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828) is amended by adding at the end the following new subsection:

"(o) REGULATION OF CERTAIN NONDEPOSIT MARKETING ACTIVITIES.—

"(1) CERTAIN ACTIVITIES ON BEHALF OF AFFILIATES PROHIBITED.—No insured depository institution may permit any evidence of indebtedness of, or ownership interest in, any affiliate (of such depository institution) to be sold or offered for sale in any part of any office of such institution which is commonly accessible to the general public for the purpose of accepting deposits.

"(2) DISCRETIONARY AUTHORITY IN CONNECTION WITH INSURED DEPOSITORY INSTITUTIONS.—The appropriate Federal banking agency may, by regulation or order, prohibit or impose any condition with respect to any sale, or any offer to sell, by any insured depository institution of—

"(A) any evidence of indebtedness of such institution;

"(B) any ownership interest in the institution; or

"(C) any type of indebtedness or ownership interest referred to in subparagraph (A) or (B), in any part of any office of the institution which is commonly accessible to the general public for the purpose of accepting deposits if the appropriate Federal banking agency determines that such evidence of indebtedness of or ownership interest in the institution is likely to be confused by the general public with an insured deposit.

"(3) EXCEPTION FOR DEPOSITS AND CERTAIN MEANS OF PAYMENT TO 3D PARTIES.—Paragraphs (1) and (2) shall not apply with respect to any evidence of indebtedness which—

"(A) is a deposit in an insured depository institution; or

"(B) constitutes a means of payment to a third party, such as a traveler's check, cashier's check, teller's check, certified check, or money order."

DEPARTMENT OF THE TREASURY,

Washington, January 26, 1990.

HON. RICHARD H. BRYAN,
U.S. Senate,
Washington, DC.

DEAR SENATOR BRYAN: Thank you for your letter to Secretary Brady advocating a ban

on the sale of securities by banks and thrifts in the same offices that accept insured deposits. I understand that the Office of Thrift Supervision (OTS) is now drafting a regulation addressing this issue.

This regulation will be forwarded to Treasury for review prior to publication. Based on the experiences at Lincoln Savings and Loan, Treasury generally supports restrictions on the sale of such securities at financial institutions. At this time, however, it would be premature to comment further on the regulation.

I appreciate the opportunity to respond to your concerns.

Sincerely,

BRYCE L. HARLOW,
Assistant Secretary
(Legislative Affairs).

Mr. RIEGLE. Mr. President, I am pleased to cosponsor the Depositor Protection and Abuse Prevention Act of 1990.

The act prohibits any federally insured depository institution from permitting its lobbies to be used to sell debt or equity securities of an affiliated company. The depository institution is thus barred from selling or offering to sell such securities, or permitting others to sell or offer them. The goal is to ensure that retail depositors are not led to believe erroneously that the affiliate's securities are covered by Federal deposit insurance.

To avoid burdening legitimate transactions, the act provides exceptions for insured certificates of deposits and for any evidence of indebtedness that serves as a means of payment to a third party, such as a certified check, traveler's check, or money order.

The act provides an important safeguard against abusive practices, and I commend the Senator from Nevada for introducing it.

By Mr. BOSCHWITZ:

S.J. Res. 248. Joint resolution to designate the month of September 1990 as "International Visitors' Month"; to the Committee on the Judiciary.

INTERNATIONAL VISITORS' MONTH

● Mr. BOSCHWITZ. Mr. President, I rise today to introduce a joint resolution declaring September 1990 as "International Visitors' Month."

This joint resolution recognizes an outstanding program that brings foreign leaders to America to develop a more personal understanding of our people and culture. I believe, Mr. President, that this successful program and its accomplishments should be properly recognized by the Congress on behalf of the American people.

Administered by the U.S. Information Agency, this program: Helps strengthen support for American foreign policy; draws on an array of experts to examine current domestic problems; complements the curriculum of elementary and higher education programs nationwide; creates opportunities for international business ventures; brings money into American

cities and towns; and introduces American people of all background to future world leaders visiting the United States.

American Embassies overseas select only the most promising mid-career professionals to participate in the month-long exchange program. Last year the program brought more than 5,000 visitors to the United States. Once the visitors arrive, members of the National Council for International Visitors [NCIV] and more than 800,000 American volunteers carry out the program in communities across the United States.

As you can clearly see, this important program relies on the support of American volunteers, acting as citizen diplomats, who meet the visitors and share their professional and personal experiences.

Mr. President, in its 30-year history, countless leaders including British Prime Minister Margaret Thatcher and Costa Rican President Oscar Arias have participated in the program. Alumni of the International Visitor Program include 123 current and former Presidents and Chiefs of State.

This is a worthwhile program that deserves our support. Today I urge my colleagues to join me in designating September 1990 as "International Visitors' Month." ●

ADDITIONAL COSPONSORS

S. 400

At the request of Mr. PRYOR, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 400, a bill to require that all amounts saved as a result of Federal Government contracting pursuant to Office of Management and Budget Circular A-76 be returned to the Treasury, that manpower savings resulting from such contracting be made permanent, and that employees of an executive agency be consulted before contracting determinations by the head of that executive agency are made pursuant to that circular.

S. 1430

At the request of Mr. KENNEDY, the name of the Senator from Colorado [Mr. WIRTH] was added as a cosponsor of S. 1430, a bill to enhance national and community service, and for other purposes.

S. 1761

At the request of Ms. MIKULSKI, the names of the Senator from Kansas [Mrs. KASSEBAUM] and the Senator from Illinois [Mr. SIMON] were added as cosponsors of S. 1761, a bill to establish a national center for information and technical assistance relating to all types of family resource and support programs, and for other purposes.

S. 1860

At the request of Mr. BOREN, the names of the Senator from North

Dakota [Mr. BURDICK], the Senator from Vermont [Mr. JEFFORDS], and the Senator from Nevada [Mr. REID] were added as cosponsors of S. 1860, a bill to amend title 38 United States Code, to require the Secretary of Veterans Affairs to furnish outpatient medical services for any disability of a former prisoner of war.

S. 1873

At the request of Mr. HATCH, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 1873, a bill to amend title 38, United States Code, to repeal the termination of the Veterans' Educational Assistance Program and to extend the 10-year delimiting period for certain Vietnam veterans.

S. 1925

At the request of Mr. SPECTER, the name of the Senator from Oregon [Mr. PACKWOOD] was added as a cosponsor of S. 1925, a bill to amend the Higher Education Act of 1965 to require colleges and universities to establish and disclose campus security policies and to inform students and employees of campus crime statistics, and for other purposes.

S. 1974

At the request of Mr. HARKIN, the name of the Senator from Kansas [Mr. DOLE] was added as a cosponsor of S. 1974, a bill to require new telecommunications to have built in decoder circuitry.

S. 1991

At the request of Mr. DODD, the name of the Senator from Texas [Mr. BENTSEN] was added as a cosponsor of S. 1991, a bill to provide for eradication of drug production in certain foreign countries through debt-for-drugs exchanges.

S. 2006

At the request of Mr. GLENN, the name of the Senator from Washington [Mr. ADAMS] was added as a cosponsor of S. 2006, a bill to establish the Department of the Environment, provide for a global environmental policy of the United States, and for other purposes.

S. 2033

At the request of Ms. MIKULSKI, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of S. 2033, a bill to amend title XVIII of the Social Security Act to provide for coverage of annual screening mammography under part B of the Medicare Program.

SENATE JOINT RESOLUTION 227

At the request of Mr. KASTEN, the names of the Senator from Michigan [Mr. RIEGLE], the Senator from Missouri [Mr. BOND], the Senator from Delaware [Mr. BIDEN], and the Senator from Virginia [Mr. WARNER] were added as cosponsors of Senate Joint Resolution 227, a joint resolution to designate March 11, through March 17, 1990, as "Deaf Awareness Week."

SENATE JOINT RESOLUTION 229

At the request of Mr. CRANSTON, the names of the Senator from Delaware [Mr. BIDEN] and the Senator from Missouri [Mr. BOND] were added as cosponsors of Senate Joint Resolution 229, a joint resolution to designate April 1990 as "National Prevent-A-Litter Month."

SENATE JOINT RESOLUTION 243

At the request of Mr. LAUTENBERG, the names of the Senator from Delaware [Mr. BIDEN], the Senator from New Jersey [Mr. BRADLEY], the Senator from Nevada [Mr. BRYAN], the Senator from Arkansas [Mr. BUMPER], the Senator from North Dakota [Mr. BURDICK], the Senator from New York [Mr. D'AMATO], the Senator from Illinois [Mr. DIXON], the Senator from Tennessee [Mr. GORE], the Senator from Alabama [Mr. HEFLIN], the Senator from Pennsylvania [Mr. HEINZ], the Senator from Massachusetts [Mr. KERRY], the Senator from Michigan [Mr. LEVIN], the Senator from Rhode Island [Mr. PELL], the Senator from Nevada [Mr. REID], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Maryland [Mr. SARBANES], the Senator from Illinois [Mr. SIMON], and the Senator from California [Mr. WILSON] were added as cosponsors of Senate Joint Resolution 243, a joint resolution to designate March 25, 1990, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy."

SENATE CONCURRENT RESOLUTION 88

At the request of Mr. GRAHAM, the names of the Senator from New Jersey [Mr. BRADLEY], the Senator from Iowa [Mr. HARKIN], and the Senator from Illinois [Mr. DIXON] were added as cosponsors of Senate Concurrent Resolution 88, a concurrent resolution expressing the sense of the Congress that a postage stamp should be issued in honor of Claude Denson Pepper.

SENATE RESOLUTION 239—DENOUNCING THE MILITARY OFFENSIVE IN ANGOLA

Mr. DECONCINI (for himself, Mr. DOLE, Mr. KASTEN, and Mr. SYMMS) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 239

Whereas on June 22, 1989, in the presence of 18 African heads of state, the President of the MPLA, Jose Eduardo dos Santos, and the President of UNITA, Dr. Jonas Savimbi, shook hands and agreed to negotiate a peaceful solution to the 14 year Angolan civil war;

Whereas the Agreement, known as the "Gbadolite Declaration," mediated by the President of Zaire, Mobutu Sese Seko, calls for a general ceasefire and the establishment of a commission comprised of UNITA and the MPLA, under the mediation of Zaire, for the negotiation of peace and national reconciliation in Angola;

Whereas the Catholic Bishops of Angola have publicly urged the MPLA to sign a cease-fire and begin direct negotiations with UNITA;

Whereas the prospects for peace in Angola have deteriorated because the MPLA has repudiated its Gbadolite commitment to a direct dialogue with UNITA, rejected a ceasefire presented by the mediator, President Mobutu Sese Seko of Zaire, and has resumed a military offensive; and

Whereas the United States has repeatedly urged the MPLA to agree to a ceasefire and a negotiated settlement leading to free and fair elections in Angola;

Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) The United States denounces the military offensive in Angola and urges an immediate ceasefire and withdrawal of MPLA forces;

(2) The United States government is committed to assisting the people of Angola in achieving a peaceful settlement leading to free and fair elections;

(3) The United States government should immediately request the government of the Soviet Union to urge the MPLA in the strongest terms possible to cease its military offensive and enter into direct negotiations with UNITA; and

(4) The United States government should continue to provide appropriate and effective assistance to UNITA and to assist in bringing about a negotiated settlement of the conflict in Angola.

AMENDMENTS SUBMITTED

EXCELLENCE IN EDUCATION ACT

McCONNELL AMENDMENTS NOS. 1224 AND 1225

(Ordered to lie on the table.)

Mr. McCONNELL submitted two amendments intended to be proposed by him to the bill (S. 695) to promote excellence in American education by recognizing and rewarding schools, teachers, and students for their outstanding achievements, enhancing parental choice, encouraging the study of science, mathematics, and engineering, and for other purposes, as follows:

AMENDMENT No. 1224

On page 64, between lines 2 and 3, insert the following:

PART F—PRESIDENTIAL AWARDS FOR EXCELLENCE IN EDUCATION PROGRAM
SEC. 131. PRESIDENTIAL AWARDS FOR EXCELLENCE IN EDUCATION PROGRAM.

(a) TITLE HEADING AND TABLE OF CONTENTS.—(1) The heading for title II of the Elementary and Secondary Education Act of 1965 is amended to read as follows:

"CRITICAL SKILLS IMPROVEMENT AND PRESIDENTIAL AWARDS FOR EXCELLENCE IN EDUCATION"

(2) Section 1 of the Elementary and Secondary Education Act is amended by inserting after "Sec. 2203. Authorization of Appropriations." the following:

PART F—PRESIDENTIAL AWARDS FOR EXCELLENCE IN EDUCATION PROGRAM

"Sec. 2301. Findings and purpose.

"Sec. 2302. Allocation to States.

"Sec. 2303. State applications.

"Sec. 2304. Selection of award recipients.

"Sec. 2305. Amount and use of awards.

"Sec. 2306. Awards ceremony.

"Sec. 2307. Authorization of appropriations.

(b) AMENDMENT TO TEXT.—Title II of the Elementary and Secondary Education Act of 1965 is further amended by adding at the end thereof the following new part:

PART F—PRESIDENTIAL AWARDS FOR EXCELLENCE IN EDUCATION PROGRAM

"SEC. 2301. FINDINGS AND PURPOSE.

"(a) FINDINGS.—The Congress finds that—

"(1) the success of America's elementary and secondary schools depends most heavily upon the Nation's educators;

"(2) when educators are highly motivated and committed to excellence, they succeed not only in imparting subject matter knowledge, but also in instilling in their students an appreciation of the value and importance of education;

"(3) elementary and secondary school systems should have in place standards of teacher excellence and fair and effective procedures for measuring teacher success; and

"(4) in return for their efforts, excellent elementary and secondary school educators deserve public recognition, respect, and appropriate financial awards.

"(b) PURPOSE.—It is the purpose of this subpart to reward educators in every State who meet the highest standards of excellence.

"SEC. 2302. ALLOCATION TO STATES.

"(a) ALLOCATION FORMULA.—From the funds appropriated under section 2307—

"(1) 50 percent shall be allocated among the States in an amount which bears the same ratio to such amount as the number of children aged 5 to 17, inclusive, in the State bears to the number of such children in all such States, according to the most recent available data that are satisfactory to the Secretary; and

"(2) 50 percent shall be allocated among the States on the same basis as funds are allocated among such States under section 1005 of this Act for the same fiscal year.

"(b) ADMINISTRATIVE EXPENSES.—Each State may reserve up to 5 percent of its allocation under subsection (b) for administrative expenses, including the cost of convening the panel described in section 2304(c).

"(c) STATE DEFINED.—For the purposes of this part, the term 'State' shall include the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

"(d) INSULAR AREAS.—The provisions of Public Law 93-134, permitting the consolidation of grants to the Insular Areas, shall not apply to funds allocated under this part.

"(e) DISTRIBUTION OF AWARDS.—Other provisions of this title notwithstanding, each State shall make at least one Presidential Award for Excellence in Education in each congressional district.

"SEC. 2303. STATE APPLICATIONS.

"(a) SUBMISSION OF STATE APPLICATIONS.—The Secretary is authorized to make allocations to States in accordance with the provisions of this part. In order to receive an allocation under this part, the Governor of each State shall submit a one-time application to the Secretary. Such application shall be filed at such time in such manner, and shall contain such information, as the Secretary may reasonably require.

"(b) DESCRIPTION OF STATE CRITERIA AND PROCEDURES.—The application submitted pursuant to subsection (a) shall contain a

description of the State's criteria and procedures for selecting recipients of Presidential Awards for Excellence in Education. The State's criteria and procedures shall be subject to the approval of the Secretary.

"(c) ASSURANCES.—The application submitted pursuant to subsection (a) shall contain assurances that—

"(1) Presidential Awards for Excellence in Education shall be made in accordance with the provisions of this part;

"(2) the State shall provide such fiscal control and fund accounting procedures as the Secretary shall require; and

"(3) the State shall apply the selection criteria uniformly to nominations for recipients of Presidential Awards for Excellence in Education that are received from public and private schools, educators, associations of educators, parents, associations of parents and educators, businesses, business groups, or student groups, as well as those received from educational agencies.

"SEC. 2304. SELECTION OF AWARD RECIPIENTS.

"(a) ELIGIBLE RECIPIENTS.—Any full-time public or private elementary or secondary school teacher of academic or vocational subjects or any full-time public or private elementary or secondary school principal or headmaster shall be eligible to receive an award under this subpart, except that teachers of religion (other than religion as an academic discipline) shall not be eligible.

"(b) NOMINATIONS.—(1) Local educational agencies, public and private schools, educators, parents, associations of educators, associations of parents and educators, businesses, business groups and student groups may nominate teachers for awards under this part.

"(2) The State educational agencies shall notify local educational agencies, public and private schools, associations of educators, associations of parents and educators, business groups, and the general public of the deadlines and procedures for making nominations, and inform them of the selection criteria which will be used in selecting award recipients in a given year.

"(c) SELECTION BY STATE PANEL.—Selection of award recipients in each State shall be made from among the teachers nominated in accordance with subsection (b). Award recipients shall be selected by a panel which is chosen by the Governor in consultation with the chief State officer and is composed of members representing parents, school administrators, teachers, school board members, and the business community.

"(d) SELECTION CRITERIA.—The State panel shall select award recipients in accordance with the criteria approved by the Secretary in the State's application. Such selection criteria may include an educator's success in—

"(1) educating 'at-risk' students, such as educationally or economically disadvantaged, handicapped, limited English proficient, or homeless children to their fullest potential;

"(2) educating gifted and talented students to their fullest potential;

"(3) encouraging students to enroll, and succeed, in advanced classes in subjects such as mathematics, science, and foreign languages;

"(4) teaching in schools educating large numbers of 'at-risk' students, including schools in low-income inner-city or rural areas;

"(5) introducing a new curriculum area into a school or strengthening an established curriculum;

"(6) acting as a 'master teacher' by helping new teachers make the transition into a teaching career;

"(7) encouraging potential dropouts to remain in school or encouraging individuals who have dropped out to reenter and complete their schooling;

"(8) improving daily attendance;

"(9) leadership qualities; and

"(10) success in employing other innovative educational techniques.

"SEC. 2305. AMOUNT AND USE OF AWARDS.

"(a) AMOUNT OF AWARDS.—The amount of a Presidential Award for Excellence in Education shall be \$5,000.

"(b) PRO RATA REDUCTION.—Should the amount allocated by the Secretary to a State not be sufficient to support one Presidential Award for Excellence in Education in each congressional district, the State is authorized to make pro rata reductions in the amount of other awards to enable the award of at least one Presidential Award for Excellence in Education in each congressional district.

"(c) USE OF AWARDS.—An award to an individual recipient under this part shall be available for the recipient's use of any purpose, except that private school educators receiving a Presidential Award for Excellence in Education may only use such award for capital expenses at the school where such individual teaches as set forth in section 1017(d) of the Elementary and Secondary Education Act of 1965.

"SEC. 2306. AWARDS CEREMONY.

"The Secretary is authorized to accept gifts to pay for the costs of conducting awards ceremonies to recognize recipients of Presidential Awards for Excellence in Education.

"SEC. 2307. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated \$7,600,000 for the fiscal year 1991 and each of the fiscal years 1992 and 1993 to carry out the provisions of this part."

On page 45, between lines 12 and 13, insert the following:

"(3) DISTRIBUTION OF AWARDS.—Each State educational agency shall make at least one Presidential Merit School Award in each congressional district."

On page 47, strike line 21 through line 25, and insert the following:

"(d) AMOUNT OF AWARD.—Each State educational agency shall establish criteria, subject to subsection (c)(4), including criteria relating to the size of the school and the economic circumstances of the student body, for determining the amount of Presidential Merit School Awards.

"(2) The amount of Presidential School Awards shall be substantially equivalent among congressional districts."

AMENDMENT No. 1225

On page 39, in the table of contents, strike the item relating to title XIII and insert the following:

TITLE XIII—APPALACHIAN TEACHER STUDENT LOAN ASSISTANCE

TITLE XIV—EFFECTIVE DATE

On page 133 after line 24, insert the following:

TITLE XIII—APPALACHIAN TEACHER STUDENT LOAN ASSISTANCE

SEC. 1301. SHORT TITLE.

This title may be cited as the Appalachian Teacher Student Loan Assistance Act of 1990."

SEC. 1302. PROGRAM AUTHORIZED.

(a) IN GENERAL.—The Secretary is authorized to establish and operate a program to cancel or pay student loan payments for eligible teachers who agree to teach in public elementary and secondary schools in eligible counties.

(b) NUMBER.—In each fiscal year the Secretary shall cancel or pay student loan payments for not more than 2 eligible teachers in each eligible county.

(c) SELECTION.—The Secretary shall select eligible teachers to receive cancellation or payment of student loan payments in accordance with the provisions of this title on the basis of the eligible teacher's academic record.

(2) The Secretary shall select eligible teachers to receive cancellation or payment of student loan payments in accordance with the provisions of this title within 60 days of the enactment of this Act.

(d) ADMINISTRATIVE EXPENSES.—From amounts authorized to be appropriated in each fiscal year, the Secretary may reserve an amount not to exceed \$50,000 for administrative expenses.

(e) APPLICATION.—(1) Each eligible teacher desiring cancellation or payment of student loan payments pursuant to the provisions of this title shall submit an application to the Secretary at such time, in such manner and accompanied by such information as the Secretary may reasonably require.

(2)(A) The Secretary shall give preference in canceling or paying student loans payments to applications from eligible teachers who are—

- (i) handicapped or disabled;
- (ii) a member of a minority group; and
- (iii) a resident of Kentucky, Tennessee, West Virginia, and Virginia.

(B) The amount of preference given each application submitted pursuant to this section shall be determined by the number of the preference categories set forth in subparagraph (A) applicable to such applicant.

SEC. 1303. AGREEMENT.

Each eligible teacher selected to participate in the program authorized in section 1302 shall enter into an agreement with the Secretary. Each such agreement shall—

(1) provide assurances that the eligible teacher will teach in a public elementary or secondary school in an eligible country for a period of not less than 1 year;

(2) provide assurances that the eligible teacher will repay all or a portion of the student loan payments cancelled or paid by the Secretary for that year in the event that the conditions of paragraph (1) are not complied with except where the teacher—

- (A) dies,
- (B) becomes permanently disabled, as established by the sworn affidavit of a qualified physician; or

(C) has been discharged in bankruptcy;

(3) set forth procedures under which eligible teachers who teach less than the 1-year period required under paragraph (1) will repay the amounts cancelled or paid by the Secretary for that year according to a schedule established by the Secretary;

(4) set forth the total amount of all eligible loans incurred by the eligible teacher in obtaining an undergraduate or graduate teaching degree; and

(5) set forth the terms and conditions under which an eligible teacher will be allowed to seek a new teaching position in another eligible county.

SEC. 1304. PAYMENTS PROVISIONS.

(a) **IN GENERAL.**—(1) Except as provided in paragraph (2), the Secretary shall cancel or pay 1/2 of the total amount of all eligible loans incurred by an eligible teacher in obtaining an undergraduate or graduate teaching degree for each year an eligible teacher teaches in a public elementary or secondary school in an eligible county in accordance with the provisions of this title.

(2) In no event shall the Secretary cancel or pay more than \$4,000 in eligible loans in any fiscal year for any one eligible teacher.

(3) The Secretary is authorized to enter into arrangements with the holder of any eligible loan and the appropriate State educational agency designed to facilitate the payment of principal and interest when due for each payment period the borrower meets the requirements of this title.

(b) **SPECIAL RULES.**—(1) If a portion of a loan is cancelled or paid under this subsection for any year, the entire amount of interest on such loan which accrues for such year shall be cancelled or paid.

(2) For the purpose of this subsection, the term "year" where applied to service as a teacher means academic year as defined by the Secretary.

(3) The amount of a loan, and interest on a loan, which is cancelled or paid under this section shall not be considered income for purposes of the Internal Revenue Code of 1986.

SEC. 1305. STATE ACTIVITIES.

(a) **IN GENERAL.**—The State educational agencies in Kentucky, Tennessee, West Virginia, and Virginia each shall—

(1) monitor the activities of teachers within the State who are participating in the program authorized by this title for compliance with the provisions of this title;

(2) biannually report to the Secretary regarding the monitoring activities required in paragraph (1);

(3) assist eligible teachers in obtaining employment as a teacher in eligible counties within the State; and

(4) perform such other functions as the Secretary may reasonably require.

(b) **ADMINISTRATIVE EXPENSES.**—From amounts authorized to be appropriated in each fiscal year the Secretary is authorized to make grants to the state educational agencies in Kentucky, Tennessee, West Virginia, and Virginia to pay the reasonable costs of the State activities described in subsection (a).

SEC. 1306. DEFINITIONS.

For the purposes of this title—

(1) the term "elementary school" has the same meaning given such term in section 1471(8) of the Elementary and Secondary Education Act of 1965;

(2) the term "eligible loan" means any loan made pursuant to—

(A) part B of title IV of the Higher Education Act of 1965 including supplemental loans for students; or

(B) part E of title IV of the Higher Education Act of 1965;

(3) the term "eligible county" means any county in Kentucky, Tennessee, West Virginia, and Virginia which is within the jurisdiction of the Appalachian Regional Commission as defined by the Appalachian Regional Development Act of 1965 and in which—

(A) the percentage of the population living in poverty (as determined by the most recent available census data) is at least 1.5 times the national average;

(B) the per capita income exclusive of transfer payments does not exceed 66 per-

cent of the national average per capita income; and

(C) the average annual unemployment rate in the three most recent years is at least 150 percent of the national unemployment rate;

(4) the term "eligible teacher" means a recent college graduate with an undergraduate or graduate degree in education who has not held a teaching position other than student teaching position;

(5) the term "secondary school" has the same meaning given such term in section 1471(21) of the Elementary and Secondary Education Act of 1965;

(6) the term "Secretary" means the Secretary of Education; and

(7) the term "State educational agency" has the same meaning given such term in section 1471(23) of the Elementary and Secondary Education Act of 1965.

SEC. 1307. EFFECTIVENESS STUDY.

From amounts authorized to be appropriated in fiscal year 1992, the Secretary may reserve \$50,000 to study—

(1) the effectiveness of the program authorized by this title;

(2) such program's potential for use in addressing acute teacher shortages in other areas of the country, particularly inner city areas; and

(3) such program's ability to enhance minority recruitment.

SEC. 1308. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated \$602,000 for fiscal year 1991, \$652,000 for fiscal year 1992, and \$602,000 for fiscal year 1993 to carry out the provisions of this title.

On page 134, line 1, strike "XIII" and insert "XIV".

On page 134, line 2, strike "1301" and insert "1401".

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BUMPERS. Mr. President, I would like to announce for the public that hearings have been scheduled before the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources.

The first hearing will be held on February 21, 1990, beginning at 2 p.m. The purpose of the hearing is to receive testimony on the following measures pending in the subcommittee:

S. 844 and its companion measure, H.R. 1484, to establish a National Park System Review Board;

S. 1360 and its companion measure, H.R. 2844, to improve the ability of the Secretary of the Interior to properly manage certain resources of the National Park System; and

S. 1859, to restructure the repayment terms and conditions for loans made by the Secretary of the Interior to the Wolf Trap Foundation for the Performing Arts for the reconstruction of the Filene Center in Wolf Trap Farm Park in Fairfax County, VA.

The second hearing will be held on Tuesday, March 6, 1990, beginning at 9:30 a.m. The purpose of that hearing is to receive testimony on the following bills:

S. 666, to enroll 20 individuals under the Alaska Native Claims Settlement Act;

S. 1128, for the relief of Richard Saunders;

S. 1719, to designate the segment of the Colorado River within Westwater Canyon in Utah as a component of the National Wild and Scenic Rivers System;

S. 1738, to convey certain Oregon and California Land Grant lands in Oregon to the Rogue Community College District; and

S. 1837, to direct the Secretary of the Interior to establish a Desert Research Center.

The hearings will be held in room SD-366 of the Senate Dirksen Office Building in Washington, DC. Because of the limited time available for the hearings, 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 Subcommittee on Public Lands, National Parks and Forests, 364 Dirksen Senate Office Building, Washington, DC 20510.

For further information regarding the hearings, please contact David Brooks of the subcommittee staff at (202) 224-9863.

COMMITTEE ON VETERANS' AFFAIRS

Mr. CRANSTON. Mr. President, I announce, for the information of Senators, that the Committee on Veterans' Affairs, which I am privileged to chair, is scheduled to hold a hearing Thursday, February 8, 1990, in SR-418 at 9:30 a.m., to consider the nominations of Ronald M. Holdaway and Hart T. Mankin to be associate judges on the U.S. Court of Veterans Appeals.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. LEAHY. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be authorized to meet during the session of the Senate on Thursday, February 1, beginning at 10 a.m., to conduct a hearing on the National Environmental Education Act (S. 1076).

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

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. LEAHY. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on February 1, 1990, at 10 a.m., to hold a hearing on the nomination of William D. Hathaway to be a Federal Maritime Commissioner.

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

SUBCOMMITTEE ON AGRICULTURAL PRODUCTION AND STABILIZATION OF PRICES

Mr. LEAHY. Mr. President, I ask unanimous consent that the Subcommittee on Agricultural Production and Stabilization of Prices of the Senate Committee on Agriculture, Nutrition, and Forestry, be authorized to meet during the session of the Senate on Thursday, February 1, 1990, at 9:30 a.m., to hold a joint hearing in preparation for the 1990 farm bill regarding oilseeds.

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

COMMITTEE ON ARMED SERVICES

Mr. LEAHY. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet in open session on Thursday, February 1, 1990, at 10 a.m., to receive testimony on the amended defense authorization request for fiscal year 1991 and the 5-year defense plan; to receive a net assessment from the Chairman, Joint Chiefs of Staff.

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

SUBCOMMITTEE ON SECURITIES

Mr. LEAHY. Mr. President, I ask unanimous consent that the Securities Subcommittee of the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate, Thursday, February 1, 1990, at 9:30 a.m., to conduct hearings on S. 647, the Securities Law Enforcement Remedies Act of 1989.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. LEAHY. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, February 1, 1990, at 2 p.m., to hold a closed hearing in intelligence matters.

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

COMMITTEE ON VETERANS' AFFAIRS

Mr. LEAHY. Mr. President, the Committee on Veterans' Affairs would like to request unanimous consent to hold a hearing on the nomination of D'Wayne Gray to be Chief Benefits Director of the Department of Veterans Affairs on Thursday, February 1, 1990, at 9:30 a.m., in SR-418.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. LEAHY. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, February 1, at 11 a.m., to hold a hearing on foreign policy priorities for the 1990's with Secretary of State James Baker.

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

COMMITTEE ON THE JUDICIARY

Mr. LEAHY. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to hold a business meeting during the session of the Senate on Thursday, February 1, 1990, at 10 a.m., in room SD-226.

The executive agenda follows:

I. NOMINEES

U.S. Attorney

Michael J. Norton, to be United States Attorney for the District of Colorado.

Ronald Frank Ederer, to be United States Attorney for the Western District of Texas.

U.S. Marshals

James Y. Stewart, to be United States Marshal for the Eastern District of Michigan.

Charles E. Healey, to be United States Marshal for the Eastern District of New York.

Donald E. Crowl, to be United States Marshal for the Northern District of Oklahoma.

Walter J. Bamberg, to be United States Marshal for the Middle District of Alabama.

Robert F. Gilbert, to be United States Marshal for the District of New Hampshire.

II. BILLS

S. 438. A bill to amend chapter 96 of title 18, United States Code—DeConcini.

S. 865. A bill to amend the Sherman Act regarding retail competition—Metzenbaum.

S.J. Res. 14. Joint resolution proposing an amendment to the Constitution of the United States to allow the President to veto items of appropriation—Thurmond.

S.J. Res. 23. Joint resolution proposing an amendment to the Constitution authorizing the President to disapprove or reduce an item of appropriations—Dixon.

S. 594. A bill to establish a specialized corps of judges necessary for certain federal proceedings required to be conducted, and for other purposes—Heflin.

S. 185. A bill to amend title 18 of the United States Code to punish as a federal criminal offense the crimes of international parental child abduction—Dixon.

S. 198. A bill to amend title 17, United States Code, the Copyright Act to protect certain computer programs—Hatch.

S. 497. A bill entitled the "Copyright Remedy Clarification Act"—DeConcini.

H.R. 3045. A bill entitled the "Copyright Remedy Clarification Act"—Kastenmeier.

S. 1271. A bill to amend title 17, United States Code, to change the fee schedule to the Copyright Office, and to make certain technical amendments—DeConcini.

H.R. 1622. A bill to amend title 17, United States Code, to change the fee schedule to the Copyright Office, and to make certain technical amendments—Kastenmeier.

S. 1272. A bill to amend chapter 8 of title 17, United States Code, to reduce the number of Commissioners on the Copyright Royalty Tribunal, to provide for lapsed terms of such Commissioners, and for other purposes—DeConcini.

H.R. 3046. A bill to reduce the number of commissioners on the Copyright Royalty Tribunal, to change the salary classification rates for members of the Copyright Tribunal and the United States Parole Commission and for the Deputy and Assistant Commissioners of Patents and Trademarks, and for other purposes—Kastenmeier.

S. 459. A bill to amend title 35, United States Code, and the National Aeronautics and Space Act of 1958, with respect to the use of investments in outer space—Gore.

S.J. Res. 183. Joint resolution proposing an amendment to the Constitution relating to a Federal balanced budget—Simon.

S. 396. A bill to amend title 11, of the United States Code, the bankruptcy code regarding swap agreements with an amendment in the nature of a substitute—DeConcini.

S. 994. A bill to amend the Clayton Act regarding interlocking directorates and officers—Metzenbaum.

S. 995. A bill to amend the Clayton Sherman Acts regarding antitrust procedures—Metzenbaum.

S. 1829. A bill to amend the Controlled Substances Act to further restrict the use of steroids and human growth hormones—Biden.

S. 1965. A bill to protect the rights of victims of crime, establish a Federal Victims' bill of rights for children, and improve the response of the criminal justice system and related agencies to incidents of child abuse—Biden.

H.R. 150. A bill to amend the Immigration and Nationality Act to provide a procedure for an alien who dies while serving on active-duty with the United States Armed Forces during certain periods of hostilities to be considered a citizen of the United States at the time of the alien's death—Donnelly.

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

ADDITIONAL STATEMENTS

COMMENDING OPERATION TIGER

● Mr. LIEBERMAN. Mr. President, veterans of World War II reflect on the "Good War" with strong feelings of pride and loyalty. Unfortunately, many of the brave men who fought in this war lost their lives in combat, but others were fortunate enough to be snatched from the jaws of death on account of the bravery of their comrades. I would like to take this opportunity to share with my colleagues a story of unmatched heroism which for many years went unrecognized.

Hours before dawn on April 28, 1944, American troops, taking part in a covert training exercise code-named Operation Tiger, were finishing maneuvers in the English Channel in preparation for the Normandy invasion when they drew the attention of high-speed German torpedo boats. The enemy vessels rapidly honed in on the sluggish convoy of amphibious troop transporters, known as LST's and sank two of them, while heavily damaging a third. The soldiers and crew members on the crippled LST's immediately became easy targets to the unmerciful machine guns of the German Navy.

Reports of this incident reached the Allied Command, but, fearing exposure of the top secret mission, they ordered the remaining vessels to return to the safety of the English coastline. However, Capt. John H. Doyle and the crew of LST 515, including Connecti-

cut native, John H. Provini, defiantly remained at the scene and saved the lives of 100 of their fellow soldiers. John Provini and his crew mates repeatedly dove into the icy English Channel to rescue their drowning comrades from almost certain death. These soldiers would not have survived if not for the bravery and loyalty of the men of LST 515.

The reasons for suppressing commendation of Operation Tiger were obvious. The U.S. Government did not want to draw attention to any Allied exercises preparing for the Normandy invasion, which would occur later that year. However, even after the war, these unselfish men never received the gratitude that they rightly deserved. The time has come for the heroic actions of the veterans of LST 515 to be officially recognized by our Government. Those brave men deserve our respect and thanks for going far beyond what their duty required of them. I hope that all of my colleagues will join me in rising to pay tribute to those heroic American soldiers. ●

THE 72D ANNIVERSARY OF UKRAINIAN INDEPENDENCE DAY

● Mr. RIEGLE. Mr. President, I would like to take this opportunity to add my voice to the millions of Ukrainians all over the world celebrating the 72d anniversary of the establishment of a sovereign and independent Ukraine. This proclamation, followed by the creation of a united Ukrainian National Republic in 1919, ended years of national persecution and external domination.

After centuries of living under czarist Russian rule, Ukraine emerged as a liberated country, free of foreign hegemony. The young republic set out firmly on the path to democracy by guaranteeing such basic rights a freedom of speech, the press, and religion. In addition, Ukraine committed itself to securing national and personal autonomy for ethnic minorities living within its borders.

Tragically, fate betrayed the Ukrainian National Republic. Within 3 short years, the struggling nation was overrun by the stronger military forces of the Russian Bolsheviks. Much of Ukraine was exposed to brutal colonization by foreign forces, which suppressed the creativity of intellectuals and decimated a great deal of the fertile Ukrainian countryside.

Indeed, while much of the history of the Ukrainian people has been filled with sorrow, today, we must celebrate even the short life of the Ukrainian National Republic. It stood as a beacon of democracy, reaffirming the Ukrainian people's dignity, their spirit, and their right to self-rule.

Remembrance of their tragic, yet courageous past has guided the spirit of the international Ukrainian com-

munity to strive for the recreation of an independent Ukraine. Ukrainians have never yielded in their quest for reestablishment of a national homeland and independence from the Soviet Union. We can help in that effort by awakening the world to the realities of the Soviet occupation of the Ukrainian nation, which has been so brutal and painful for the Ukrainian people.

Under Soviet control, not only has Ukrainian political self-determination been stifled, but basic human liberties have been disregarded. In accordance with the official Communist doctrine of atheism, freedom of worship, a universally accepted human right, has been seriously curtailed in the Soviet Ukrainian Republic. The Catholic and Orthodox Churches, cultural focal points for the Ukrainian people, have been suppressed for seven decades. Recently, in an attempt to promote restoration of religious rights, I wrote a letter to Soviet President Mikhail Gorbachev calling upon Moscow to grant religious freedom to all citizens of the Ukraine.

President Gorbachev has begun to pilot the U.S.S.R. into new and uncharted waters. He has restored basic freedoms for many people in the Soviet Union and Eastern Europe, while attempting to restructure a stagnant Soviet economy. At the same time, independence movements have expanded their activities in several Soviet Republics, including Ukraine. Although these changes are a cause for hope, they unfortunately have largely not extended to Ukraine. Apparently, the Soviet Union has placed greater restrictions on the Ukrainian republic because of its significant economic productivity and large population. These, however, are poor reasons for denying the Ukrainian people their right to self-determination.

On January 21, 1990, in a popular demonstration of Ukraine's national aspirations, citizens of the Ukraine joined hands in a human chain stretching across the republic. Linked arm-in-arm from Kyiv to Lviv, Ukrainians delivered a message of hope and solidarity that their vanquished nation would once again thrive. As a staunch supporter of Ukrainian self-determination, I admire the courage and tenacity of these activists. Their strength reaffirms that the aspiration for a free Ukraine continues to live in the hearts and minds of all Ukrainians.

Each year, as we celebrate the establishment of the Ukrainian National Republic, it is important that we persevere in our efforts to promote the cause of freedom in Ukraine. On this 72d anniversary of the achievement of Ukrainian independence, I pledge to do all I can to achieve that goal. ●

STATE DEVELOPMENTAL DISABILITIES PLANNING COUNCILS COMPLETE ASSESSMENT OF SERVICE SYSTEM FOR AMERICANS WITH DEVELOPMENTAL DISABILITIES

● Mr. HARKIN. Mr. President, I am pleased to inform you and my colleagues that on January 1, 1990, the 56 State and territorial developmental disabilities planning councils unveiled a new blueprint for the improvement of public policies which affect people with developmental disabilities. On that date, each developmental disabilities planning council presented their Governor and legislature an analysis of the way in which Federal and State policies either positively or negatively impact services to people with disabilities. These reports are a direct result of the mandate which we included in the 1987 amendments to the Developmental Disabilities Act (Public Law 100-146).

On April 1, Members of Congress will receive a report from the Secretary of Health and Human Services, which is an aggregation of the reports conducted in each State and territory. This vital information will tell us how well our current approach is working in each State, and nationally. This will be invaluable to us as we further develop and refine legislation which affects people with disabilities throughout the United States.

The 1990 report, as this nationwide effort has come to be called, includes three major activities:

A review and analysis of the policies of Federal and State programs that provide services to people with developmental disabilities;

A survey of consumer satisfaction with services provided by these programs; and

Public forums conducted in each State that resulted in input from citizens and families as well as providers of services.

Developmental disabilities planning councils set out to assess Federal and State programs based upon their promotion of independence, productivity, and integration of persons with developmental disabilities into their communities. Consumers were surveyed regarding their experience with programs and how that experience affected their independence, productivity, and integration. Information on key Federal programs was collected, analyzed, and shared with developmental disabilities planning councils. The results were then integrated with a national consumer outcome and satisfaction survey.

In addition to the effects of individual States, the National Association of Developmental Disabilities Councils in collaboration with Temple University provided considerable assistance to councils in accomplishing their work.

University affiliated programs in many States also worked with the councils in organizing and carrying out their activities.

The 1990 report has initiated intensive activity on the part of all developmental disabilities planning councils that will continue long after the process has been completed. Their impact will be significant and provide an exciting and unprecedented opportunity for progress.

I urge each of you to contact your State developmental disabilities council and ask for their 1990 Report. I encourage you to read it and determine for yourself how well your State is doing on behalf of people with developmental disabilities.●

UKRAINIAN INDEPENDENCE

● Mr. BOSCHWITZ. Mr. President, it was just over 72 years ago, on January 22, 1918, that the Ukrainian Central Rada proclaimed Ukraine an independent, sovereign state. However, the Ukraine's strategic location and rich resources have always made it a coveted prize of aggressors, and its short-lived independence was soon crushed by the Soviet Union.

With the recent events in Eastern Europe, the Ukrainian people have more desire than ever in reattaining their freedom. Their goal is understandable. Freedom is something we Americans enjoy every day. The Third Universal of the Ukrainian National Republic, issued in 1917, proclaimed the rights to freedom of speech, press, and religion. It also established the rights of assembly, and protection for minorities.

The desire for freedom is stronger today than it has ever been in the Ukraine, and other Soviet Republics. Current uprisings demonstrate that the desire for freedom lives in the hearts of people everywhere. As leaders of the greatest free nation, we must listen to these cries for freedom and do all in our power to guarantee that the Ukrainian people are given every opportunity to utilize those rights every free American is entitled to.

I ask all Minnesotans and especially the Minnesota Ukrainian community to join me in sending a message of hope and courage to Ukrainians everywhere.●

TRIBUTE TO DAN CONRAD, MINNETONKA, MN

● Mr. BOSCHWITZ. Mr. President, I rise today to pay tribute to a constituent of mine, a Minnesotan whose work was yesterday honored by the President of the United States as one of his daily "Points of Light."

Dan Conrad, of Minnetonka, MN, is a schoolteacher who has organized a unique class in which students are re-

quired to perform 2 hours of community service work a day, 4 days a week.

Dan's commitment to community service is not new—he created this class in 1972, and hundreds of his students have learned valuable lessons about the importance of community service. That is a lesson they take with them for the rest of their lives.

Dan's students work with nursing homes, day care centers, senior citizen groups, and other organizations throughout the community. On Friday of each week, class members meet to discuss their experiences. It is a forum for understanding the value of their efforts, and for developing a perspective on many social issues.

As someone who has had the privilege of leading fund-raising campaigns for many Minnesota charities, I can vouch for the fact that Minnesotans are a particularly warm and giving people. When President Bush spoke in his campaign of a "Thousand Points of Light," I knew that many of those points of light could be found in the North Star State. I am proud that the President has seen fit to honor one of our own, and I want to also extend my own congratulations to Dan Conrad, as well as my appreciation for the efforts he makes on behalf of our State and Nation.●

UNANIMOUS-CONSENT AGREEMENT—S. 1310

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to S. 1310, the illiteracy bill, on Monday, February 5, at 10 a.m., and that the following amendments be the only amendments in order, except for the committee reported substitute:

A Simon technical amendment; a Heinz amendment providing literacy training for commercial truck drivers; an Armstrong amendment to provide that the advisory board include classroom teachers; an Armstrong amendment regarding the teaching of alternate reading methods such as phonics; a Simon possible second-degree amendment to the Armstrong phonics amendment; a Bond amendment regarding parents as teachers expansion; a Simon possible second-degree amendment to the Bond amendment; a Wallop amendment regarding Indian tribes given applicant status under Even Start Program; and a Simon possible second-degree amendment to the Wallop amendment.

I further ask unanimous consent that no motions to recommit be in order, and that any rollcall vote ordered with respect to S. 1310 on Monday occur beginning at 12 noon on Tuesday, February 6, 1990.

I further ask unanimous consent that the Simon second-degree amendments be on the same subject as the first-degree amendment.

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

The text of the agreement is as follows:

Ordered, That the Senate proceed to S. 1310, the illiteracy bill on Monday, February 5 at 10 a.m., and that the following amendments be the only amendments in order, except for the committee reported substitute:

Simon Technical amendment;
Heinz amendment providing literacy training for commercial truck drivers;

Armstrong amendment to provide that the advisory board include classroom teachers;

Armstrong amendment regarding the teaching of alternate reading methods such as phonics;

Simon possible 2d degree to the Armstrong phonics amendments;

Bond amendment regarding parents as teachers expansion;

Simon possible 2d degree to the Bond amendment;

Wallop amendment regarding Indian tribes given applicant status under Even Start Program;

Simon possible 2d degree amendment to the Wallop amendment;

Ordered, That no motions to recommit be in order, and that any rollcall ordered with respect to S. 1310 on Monday occur beginning at 12 noon on Tuesday, February 6, 1990.

Order further, That the Simon 2d degree amendments be on the same subject as the 1st degree amendment.

EXECUTIVE SESSION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nomination: Calendar No. 573, Gail Roggin Wilensky, to be Administrator of the Health Care Financing Administration.

I further ask unanimous consent that the nominee be confirmed, that any statements appear in the RECORD as if read, that the motion to reconsider be laid upon the table, 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 nomination considered and confirmed en bloc is as follows:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Gail Roggin Wilensky, of the District of Columbia, to be Administrator of the Health Care Financing Administration.

SCHEDULE

Mr. MITCHELL. Mr. President, for the information of Senators, many of whom have inquired about the schedule for the next few days, I would like to now provide a brief summary of our plan and what has occurred today with respect to the clean air bill.

In the past few days I have had several discussions with the distinguished Republican leader of the Senate and

the Administrator of the Environmental Protection Agency, as well as other administration officials, and as a consequence of those discussions, we began, earlier today, a series of meetings in an effort to resolve differences over some aspects of the clean air bill.

Yesterday the distinguished Republican leader suggested to me that if the meetings held beginning today were sufficiently productive and promising, that it might be appropriate and in the best interest of the Senate's time that we permit those discussions to go forward and take up other legislation in the Senate. I agreed with that suggestion, pending the results of the meeting today.

Those meetings are still continuing, but I am pleased to report that, so far, they have been productive and reassuring of the good faith of all parties in reaching an agreement to resolve the differences to which I earlier referred.

Accordingly, to permit those meetings to go forward in a manner that is the most efficient use of time of the Senators present and to permit the Senate to conduct other business, it is my intention first that there will be no rollcall votes this evening, and that shortly the Senate will go out for the evening; that the Senate will not be in session tomorrow, Friday. During tomorrow the meetings, however, will continue, as they will this evening.

On Monday, as I have already indicated in the consent agreement previously obtained, the Senate will consider S. 1310, the illiteracy bill. It is my intention on Tuesday morning to proceed to the Excellence In Education Act, S. 695, at 10 a.m. Although we do not yet have an agreement on that bill, both staffs will be working on Monday, tomorrow and Monday, toward one and, in any event, even absent an agreement, it is now the best estimate of staff on both sides that that bill will take 4 or 5 hours. Therefore, we should be able to complete action on it during the day Tuesday. Following completion of that, it is my current intention and expectation that we will then return to the Clean Air Act.

Mr. President, in the past several days, last week and this week, as we have been considering the Clean Air Act, it has been necessary to permit Senators to have the maximum opportunity to consider the bill and to evaluate its provisions before making

decisions on it. Concurrently with that, I have received a very large number of requests from Senators not to have votes at certain times and on certain days, and it has been relatively easy to accommodate them because of the status with respect to the clean air bill.

I would like now to state well in advance, so that all Senators may be prepared, that I anticipate that there will be lengthy sessions, well into the evenings, and long days and nights on the clean air bill next week. So Senators should now be prepared and adjust their schedules accordingly. That will be my expectation when we return to the bill, as best I can now predict, sometime during the day on Tuesday.

I want to thank my distinguished Republican colleague for his cooperation in this matter. He and I participated in portions of the meetings today and, I hope, help set the tone that is now continuing in the meetings.

These are very difficult issues; they are very important to all concerned, and a resolution for them will not be easy and may not be possible in all events. I think a good start has been made that will produce actual economies of time when we get to voting on the bill next week.

I would like to now again thank and yield to my distinguished Republican colleague.

Mr. DOLE. I thank the majority leader. I concur with what the majority leader has stated. We are having constructive and productive discussions, in my view, with representatives of the White House and representatives from both parties. As we all know, on the clean air legislation, it is not the party label; it is where do you live and what the economies in your State may be like, and how it may be impacted by clean air legislation. So, in my view, we have a good group working. They have been working all afternoon.

We have another meeting that is about to start this evening. The majority leader will have meetings on tomorrow and I assume through the weekend, if the principals are available.

It is a very difficult issue. In my view, we make better use of our time, as long as we are making progress, doing what we are doing in the negotiations and discussions. I commend the majority leader, and I certainly want

to cooperate. This is important legislation. Certainly, it is important to the majority leader and to the President of the United States and everyone in this Chamber.

We will do the best we can to make certain our Members are available. I think it is appropriate to indicate now that Tuesday night, Wednesday night, Thursday night may be late nights, and there may be a number of votes, and I think that is adequate notice. Everybody should be able to make any necessary plans to be here.

Mr. MITCHELL. Mr. President, I want to make clear, in the event there was any ambiguity in the wording of my request or agreement on S. 1310, that the possible 2d degree amendments by Senator SIMON will be on the same subject matter as the 1st degree amendments.

ORDERS FOR MONDAY, FEBRUARY 5, 1990

MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9:45 a.m. on Monday, February 5, and that the time for the leaders be reduced to 5 minutes each, that following the leader time, there be a period for morning business.

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

RECESS UNTIL MONDAY, FEBRUARY 5, 1990, AT 9:45 A.M.

Mr. MITCHELL. Mr. President, if the distinguished Republican leader has no further business, and there is no other Senator seeking recognition, I ask unanimous consent that the Senate stand in recess under the previous order until 9:45 a.m., Monday, February 5.

There being no objection, the Senate, at 6:47 p.m., recessed until Monday, February 5, 1990, at 9:45 a.m.

CONFIRMATION

Executive nomination confirmed by the Senate February 1, 1990:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

GAIL ROGGIN WILENSKY, OF THE DISTRICT OF COLUMBIA, TO BE ADMINISTRATOR OF THE HEALTH CARE FINANCING ADMINISTRATION.

THE ABOVE NOMINATION WAS APPROVED SUBJECT TO THE NOMINEE'S COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.