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House of Representatives

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. TORKILDSEN].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
June 15, 1995.

I hereby designate the Honorable PETER G. TORKILDSEN to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

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

Help us, O gracious God, to translate the blessed hopes and dreams that are Your gift to us into our daily lives. May we be inspired and encouraged to live lives that are worthy in Your sight and do such good deeds that reflect the trust we have in Your providence. May the expressions of faith that we profess not be limited to the words we say, but may find a living reality in our actions and in our deeds, and may the comfort and peace and assurance that Your word proclaims be found alive in our hearts and souls. In Your name we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1 of rule I, the Journal stands approved.

Ms. DELAURO. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Chair's approval of the Journal.

The SPEAKER pro tempore. The question is on the Chair's approval of the Journal.

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

Ms. DELAURO. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 356, nays 49, answered ''present'' 2, not voting 27, as follows:

[Roll No. 380]

YEAS—356

Ackerman	Browder	Cunningham	Fowler	Kildee	Neal
Allard	Brown (FL)	Danner	Fox	Kim	Nethercutt
Andrews	Brown (OH)	Davis	Frank (MA)	King	Neumann
Archer	Brownback	de la Garza	Franks (CT)	Kingston	Ney
Armey	Bryant (TN)	Deal	Franks (NJ)	Klink	Norwood
Bachus	Bunn	DeLauro	Frelinghuysen	Klug	Nussle
Baesler	Bunning	DeLay	Frisa	Knollenberg	Obey
Baker (CA)	Burr	Dellums	Frost	Kolbe	Olver
Baker (LA)	Burton	Deutsch	Furse	LaHood	Ortiz
Baldacci	Buyer	Diaz-Balart	Gallegly	Lantos	Orton
Ballenger	Callahan	Dicks	Ganske	Largent	Owens
Barcia	Calvert	Dingell	Gejdenson	Latham	Oxley
Barr	Camp	Doggett	Gekas	LaTourette	Packard
Barrett (NE)	Canady	Dooley	Gilchrest	Laughlin	Pallone
Barrett (WI)	Cardin	Doolittle	Gilman	Lazio	Parker
Bartlett	Castle	Dornan	Gonzalez	Lewis (CA)	Pastor
Barton	Chabot	Doyle	Goodlatte	Lewis (KY)	Paxon
Bass	Chambliss	Dreier	Goodling	Lightfoot	Payne (NJ)
Becerra	Chenoweth	Duncan	Gordon	Lincoln	Payne (VA)
Beilenson	Christensen	Dunn	Goss	Linder	Pelosi
Bentsen	Chrysler	Edwards	Graham	Lipinski	Peterson (FL)
Bereuter	Clayton	Ehlers	Green	Livingston	Peterson (MN)
Berman	Clement	Ehrlich	Greenwood	LoBiondo	Petri
Bevill	Clinger	Emerson	Gunderson	Lofgren	Porter
Bilbray	Coble	English	Hall (OH)	Longley	Portman
Bilirakis	Coburn	Ensign	Hall (TX)	Lowey	Poshard
Bishop	Collins (GA)	Eshoo	Hamilton	Lucas	Pryce
Bliley	Collins (IL)	Evans	Hancock	Luther	Quillen
Blute	Combest	Everett	Hansen	Manton	Quinn
Boehlert	Condit	Ewing	Hastert	Manzullo	Radanovich
Boehner	Conyers	Fawell	Hastings (WA)	Markey	Rahall
Bonilla	Cooley	Fields (LA)	Hayes	Martini	Ramstad
Bonior	Cox	Flake	Hayworth	Mascara	Rangel
Bono	Coyne	Flanagan	Hefner	Matsui	Reed
Borski	Cramer	Foley	Heineman	McCarthy	Regula
Boucher	Crapo	Forbes	Hilleary	McCollum	Rivers
Brewster	Cremeans	Ford	Hinchey	McCrery	Roberts
			Hobson	McDade	Roemer
			Hoekstra	McDermott	Rogers
			Hoke	McHale	Rohrabacher
			Holden	McHugh	Ros-Lehtinen
			Horn	McInnis	Rose
			Hostettler	McKeon	Roth
			Houghton	McNulty	Roukema
			Hoyer	Meehan	Royce
			Hunter	Meek	Sanders
			Hutchinson	Metcalf	Sanford
			Hyde	Meyers	Sawyer
			Inglis	Mica	Saxton
			Istook	Miller (FL)	Scarborough
			Jackson-Lee	Mineta	Schaefer
			Jefferson	Minge	Schiff
			Johnson (CT)	Mink	Schumer
			Johnson (SD)	Moakley	Scott
			Johnson, E. B.	Molinari	Seastrand
			Johnston	Mollohan	Sensenbrenner
			Jones	Montgomery	Serrano
			Kanjorski	Moorhead	Shadegg
			Kaptur	Moran	Shaw
			Kasich	Morella	Shays
			Kelly	Murtha	Shuster
			Kennedy (MA)	Myers	Sisisky
			Kennedy (RI)	Myrick	Skeen
			Kennelly	Nadler	Skelton

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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Smith (MI)	Taylor (NC)	Wamp
Smith (NJ)	Tejeda	Ward
Smith (TX)	Thomas	Watt (NC)
Solomon	Thornberry	Watts (OK)
Souder	Thurman	Weldon (FL)
Spence	Tiahrt	Weldon (PA)
Spratt	Torkildsen	Weller
Stark	Torres	White
Stearns	Torricelli	Whitfield
Stenholm	Towns	Wicker
Stokes	Traficant	Williams
Studds	Upton	Wilson
Stump	Velazquez	Wolf
Stupak	Visclosky	Wyden
Talent	Vucanovich	Wynn
Tanner	Waldholtz	Young (FL)
Tate	Walker	Zeliff
Tauzin	Walsh	

NAYS—49

Abercrombie	Gutknecht	Rush
Brown (CA)	Hastings (FL)	Sabo
Clay	Hefley	Schroeder
Coleman	Hilliard	Skaggs
Costello	Jacobs	Slaughter
DeFazio	LaFalce	Stockman
Durbin	Levin	Taylor (MS)
Farr	Lewis (GA)	Thompson
Fazio	Maloney	Vento
Filner	Martinez	Volkmer
Foglietta	McKinney	Waters
Funderburk	Menendez	Waxman
Gephardt	Miller (CA)	Wise
Geren	Oberstar	Woolsey
Gibbons	Pickett	Zimmer
Gillmor	Pomeroy	
Gutierrez	Reynolds	

ANSWERED ''PRESENT''—2

Harman	Salmon

NOT VOTING—27

Bateman	Engel	Pombo
Bryant (TX)	Fattah	Richardson
Chapman	Fields (TX)	Riggs
Clyburn	Herger	Roybal-Allard
Collins (MI)	Johnson, Sam	Smith (WA)
Crane	Kleczka	Thornton
Cubin	Leach	Tucker
Dickey	McIntosh	Yates
Dixon	Mfume	Young (AK)

□ 1023

So the Journal was approved.

The result of the vote was announced as above recorded.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore (Mr. TORKILDSEN). Today the Pledge of Allegiance will be led by the gentleman from Washington [Mr. WHITE].

Mr. WHITE led the Pledge of Allegiance as follows:

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

THE HOUSTON ROCKETS: BACK-TO-BACK CHAMPIONS

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

Mr. GENE GREEN of Texas. Mr. Speaker, today I take the floor to honor the 1995 National Basketball Association back-to-back champions, the Houston Rockets.

Let me take a minute out of our day because we are going to talk about the defense budget, to say that the Houston Rockets have definitively proven hard work, great coaching, great teamwork, and uncompromising drive are the best ingredients for champions, just like our country has shown. Hakeem Olajuwon, the most valuable player in the finals for 2 consecutive years, was a teammate of Clyde Drexler, and they both played at the University of Houston during the 1980's. They can now share the world championship.

The Houston Rockets are coached by Rudy Tomjanovich. Their outstanding players include, Robert Horry from Alabama, Sam Cassell from Baltimore, Kenny Smith, who played college basketball at North Carolina, and, again, Clyde Drexler, a Houstonian and graduate of Sterling High School in Houston, and Hakeem Olajwon, who was born in Nigeria, joined by our team owner, Les Alexander, who is actually from Florida.

They have shown each of us what hard work and teamwork and pride can do. They also demonstrated that especially immigrants have a great deal to offer to our society. Because, my fellow Members, as Americans we all come from somewhere but we also are all in this together.

Our congratulations to the 1995 Houston Rockets, again, back-to-back champions.

WHERE IS THE PRESIDENT'S NEW BUDGET?

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

Mr. SCHIFF. Mr. Speaker, I certainly welcome the fact that the President of the United States has joined the Congress in calling for a balanced budget.

I have noticed that the media has already begun a comparison of the President's new budget with the House and Senate budget resolutions. But there is a problem. The problem is there is no new Presidential budget, at least not yet.

Now, this is a budget, in fact, this is the President's budget that the President submitted to the Congress in February of this year. By its size, you can see it is a point-by-point spending plan for every Government agency and every Government program, just as the House and Senate budget resolutions provide for.

But we have seen no similar set of documents since the President's speech to the Nation the other night referring to a new budget. So, when the President says that he wants to increase spending for education, we have no idea how he intends to pay for it, and when the President says there will be a 20 percent cut in discretionary spending except for education and defense, we have no idea whether that means 20 percent across the board or whether it means an average of a 20-percent cut.

Mr. Speaker, to conclude, a famous commercial once said, ''Where's the beef?'' I would like to paraphrase that to say, ''Where is the President's new budget?''

THE PRESIDENT'S BUDGET-BALANCING PROPOSAL

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

Mr. MINGE. Mr. Speaker, when I first ran for office in 1992, I did so in large part because I was concerned about our growing budget deficit. I am pleased that the debate in the beltway has finally caught up with the demands of the people back home. We are now properly debating how to balance the budget, not whether we should balance the budget.

I applaud the President for joining this historic effort. His proposal this week greatly improves the chances for us to find consensus on a plan to balance the budget.

The Democratic Party cannot expect to regain the majority if its Members are content to sit on the sidelines and snipe while the Republicans pass a plan to put our fiscal house in order. Republicans and Democrats ought to support the President's decision.

The American people want us to put pretty partisan politics aside and address the critical issues that confront this country.

Nothing is more of a concern than our budget deficit.

The American people are willing to accept cuts in programs that are important to them if they are convinced that everyone is being asked to sacrifice for the good of the country.

The President put politics aside and did the right and responsible thing. we need to balance the budget. We need the President's leadership. We should welcome his participation and work together.

CLINTON BUDGET NO. 2

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

Mr. JONES. Mr. Speaker, I am glad that the President has submitted Clinton budget No. 2. I am glad that he has finally realized that the American people really do want a balanced budget, and while we are still waiting on the details, I did find something very interesting in the 15-page summary the President submitted.

Clinton budget 2 does not propose to eliminate any Cabinet-level departments of the Federal Government. Mr. Speaker, this is amazing. The Republican budget cuts the huge Federal bureaucracy by eliminating three Cabinet-level departments. The Federal Government is too big and spends too much.

Republicans want to streamline the Federal Government by cutting waste and eliminating unnecessary positions. The Republican majority understands the American people want a smaller government.

A FLAWED PICTURE

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

Mr. FARR. Mr. Speaker, what is wrong with this picture:

The Republicans want to protect interest income of the wealthy. The Democrats want to protect interest payments on students loans.

The Republicans want to provide tax cuts for millionaires. The Democrats want to provide tax cuts for middle-income families.

The Republicans want to use spending reductions to pay for tax cuts. The Democrats want to use spending reductions to pay for deficit reductions.

What is wrong with this picture, Mr. Speaker, is that under the Republican budget, all the money coming out of the system is going into the pockets of the rich and powerful, and all the money coming out of the system is coming out of the pockets of the middle class.

I sincerely hope we in Congress can find the right glidepath to a balanced budget but if it means the rich get richer while the middle class pays for it, count me out.

CLARIFYING THE PICTURE

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

Mr. HOKE. Mr. Speaker, I will tell the previous speaker what is wrong with that picture. What is wrong with it is it appeals to the worst in the American people. It appeals to a call to class warfare. It appeals to a petty and vituperative kind of conduct, and it absolutely confuses the American people.

Because the fact is that it is the middle class that has been paying for decades. The middle class will continue to pay unless we create genuine tax relief, which is exactly what we have been working on on this side of the aisle. But that is what is wrong with the picture.

I was surprised to hear a member of the Democratic leadership yesterday say that he is upset with the President's budget because he does not think that Medicare should be talked about or touched in order to balance the budget. The reason I was surprised is because the fact is that even if we run a budget surplus in the year 2002, Medicare is going to be bankrupt. Medicare is a separate program. You cannot spend money that is outside the trust fund. You cannot take money from the general fund.

You have got to put your head in the sand if you will not do something about Medicare.

THE ESCAPE HATCH REMAINS OPEN FOR TAX DODGERS

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

Ms. DELAURO. Mr. Speaker, let us talk about the Republican hoax. This week House Republicans promised to close the tax loophole that allows billionaires to avoid paying taxes by renouncing their U.S. citizenship.

But instead of closing this loophole, the Republicans left the escape hatch wide open.

According to the Treasury Department, this bill has the same problems as the current law that allows the super-rich to dodge paying their fair share.

While Republicans find creative ways of protecting tax benefits for the privileged few, their budget hits working middle-class families on both ends: Cutting student loans and Medicare.

Republicans love to talk about the revolution they are bringing to the House. In fact they are up to politics as usual: Big breaks for the privileged few while working middle-class families get stuck with the bill.

INTRODUCTION OF LEGISLATION AMENDING THE FEDERAL ELECTION CAMPAIGN ACT OF 1971

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

Mr. WHITFIELD. Mr. Speaker, today I am introducing legislation which will amend the Federal Election Campaign Act of 1971 to equalize the opportunity to raise campaign funds to incumbents and challengers.

In Federal elections, under current law, political action committees can contribute $5,000 in a primary, $5,000 in a general election, while individuals can only contribute $1,000 in a primary and $1,000 in a general election.

Last year PAC's gave $126 million to incumbents and only $16 million to challengers, and PAC's historically have given 90 percent of their money to incumbents and very little amounts of money to challengers.

My legislation lowers the amount political action committees can contribute from $5,000 to $3,000, and raises the amount that individuals can contribute from $1,000 to $3,000.

Earlier this year, term limits failed in this body, and I have long said we do not need term limits if we have meaningful campaign finance reform. I urge Members to support this legislation, which will level the playing field and make campaigns more competitive.

THE FUTURE OF AGRICULTURE PROGRAMS

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

Mr. VOLKMER. Mr. Speaker, Members of the House, under the agriculture program that this country has had for a good many years, since the 1930's, the American public has eaten better for less than anyplace else in the world. Less than 14 percent of disposable income goes for the great food, the quality food that we eat.

Under the Republican budget, that is not going to be the future of agriculture, because the agriculture programs under the Republican budget have to be cut drastically, over $9 billion in the next 5 years, cut out of a budget of only about $17 billion.

Under the President's budget, only $4.2 billion has to be cut for our farmers and agriculture, and we can maintain that good food supply, under the President's budget. Not under the Republican budget of the House or the Senate.

The Democratic President's budget is a lot better for agriculture, for our farmers, than the Republican budget, and I say to you that if you are interested in continuing to have a wholesome food supply in this country, you would not want to support the Republican agriculture budget.

THE LONG MARCH TOWARD BALANCING THE BUDGET

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

Mr. WHITE. Mr. Speaker, President Clinton submitted his budget this week, and I recognize that the budget is too late. He should have done it 2 years ago.

I recognize that this budget is too long. He takes 10 years to balance the budget. He should at least try to meet us and do it in 7 years. I recognize his budget has some of the wrong priorities.

But, frankly, Mr. Speaker, I think the President's budget is basically a good thing. I welcome him to this debate. We need him, and I am happy to see him taking this step.

But I want to remind the President, and I want to remind each and every one of us, that balancing the budget is not a 1-day process. We are not going to balance the budget by making a proposal, having a news conference of 1 day. We are not going to do it by passing a resolution, as this House has done.

The only way we balance the budget is to keep the faith, take the political heat, make the decisions every day, every day for 7 years, until the budget is in balance. This is not a short-term process.

Now, Mr. President, I am committed to that process. That is why earlier this week I voted against funding for the B–2 bomber, even though a lot of that funding is in our district.

Mr. President, are you committed to this process? This is a long march, not a short sprint. We need you with us all the way.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will notify all Members that Members should address the Chair during 1-minutes.

□ 1040

HOUSTON ROCKETS WIN CHAMPIONSHIP IN REMARKABLE PLAYOFF SWEEP OF ORLANDO MAGIC

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

Mr. BENTSEN. Mr. Speaker, as Gene Petersen, long-time voice of the Houston Rockets is fond of saying, ''How Sweet It Is.''

Last night the world champion Houston Rockets completed one of the most remarkable playoff runs in NBA history by sweeping the Orlando Magic. Given little respect by the so-called experts after winning their first world championship, the Rockets claimed their second consecutive world championship by rewriting NBA playoff history.

The numerous individual and team records set by the Rockets during this playoff run include: being the first team to beat 4 teams with 50 or more wins on their way to a championship; the Rockets are the first team to claim their second consecutive championship by sweeping their finals opponent; the Rockets were the lowest seeded team to ever win a championship. Some of the individual records set include Kenny Smith's seven three pointers in game one for a single game record, and Robert Horry setting a single game record for steals with seven.

And, what an accomplishment to see the return of the powerful Houston duo Clyde Drexler and Hakeem Olajuwon avenging the 1983 NCAA finals loss.

Of course, what the Rockets accomplished during this playoff run isn't about records. As Rudy ''T'' declared last night, it's about ''the heart of a champion.'' We could learn a lot from this team, staring elimination in the face five separate times, the Rockets consistently rose to the challenge. As a result, they are again in their rightful place atop the basketball world.

INTRODUCTION OF THE AMERICAN ACTION ACT FOLLOWS SUPREME COURT'S AFFIRMATIVE ACTION DECISION

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

Mr. RADANOVICH. Mr. Speaker, today I commend the Supreme Court's recent decision regarding racial preferences and quotas.

In a country where everyone asks to be treated equally, this decision moves us closer toward such a reality. As Justice Clarence Thomas stated in his opinion, ''government cannot make us equal; it can only recognize, respect, and protect us as equal before the law.''

But the Court's decision does not go far enough. This Congress should work to end all discrimination, including preferences and quotas. In the spirit of equality, I am introducing legislation this week which will promote equality. The American Action Act will ban racial and sexual discrimination against any individual in employment, education, and contracting. The concept of this legislation is simple: All discrimination must end.

THE HOUSTON ROCKETS AND THE AMERICAN DREAM

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

Ms. JACKSON-LEE. Mr. Speaker, I was almost getting ready to put on this hat this morning, but I hope my colleagues will be able to know where I am and where I stand.

Hakeem Olajuwon, Sam Cassell, Kenny Smith, Clyde Drexler, Mario Ellie, Rudy T., Les Alexander, and many, many others who stood before the American people said, ''We have heart, we have soul. We have character, and we have perseverance.''

Mr. Speaker, my hat is off, and sometimes it is on, to the National Basketball Association champions of 1995, the Houston Rockets.

But let me say something else. I salute the city of Houston, the State of Texas, and, yes, the Houston fans, because it is all about people gathering together, supporting folks who determine to do the right thing and never say die, never say that we cannot do it. That is the American dream. That is what this Congress is all about. That is what the Democratic Party stands for, that we believe in people.

Let me also salute those in the Houston Rockets who have given of themselves to the inner city youngsters in my district, for do my colleagues realize that the Houston Rockets have provided for basketball programs in our city parks and support our city parks by keeping them open late hours so that youngsters will have something to do?

I salute the Houston Rockets. What other team has come from out of the ashes, stood up, and said to America, ''Yes, we can''?

Congratulations to the 1995 National Basketball Association champions, the Houston Rockets.

CLINTON'S TOP 10 REASONS FOR PROPOSING A BALANCED BUDGET

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

Mr. HAYWORTH. Mr. Speaker, from the home office in Scottsdale, AZ, Bill Clinton's top 10 reasons for proposing a balanced budget:

No. 10, Hillary: Out of town.

No. 9, I did what?

No. 8, time to really tick off GEPHARDT.

No. 7, sneaking suspicion that Republicans have been right all along.

No. 6, tired of being irrelevant.

No. 5, if at first you don't succeed, try, try again.

No. 4, only way to get networks to cover him.

No. 3, ploy to get DAVID OBEY to join his fan club.

No. 2, too much McDonald's coffee.

And the No. 1 reason Bill Clinton proposed a balanced budget: Newt envy.

CLINTON BUDGET: TOO LITTLE, TOO LATE, AND TOO EXPENSIVE

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

Mr. LEWIS of Kentucky. Mr. Speaker, I have yet to hear more than a handful of Democrats praise the President's budget sequel.

I believe 10 years is too long to balance the budget—especially after he promised to do it in 5.

His budget does give future Congresses, like those in the past, more chances to overspend again.

It does give little of the tax relief the House budget does.

And it does add several hundred billion dollars to our overwhelming national debt.

Still, you would think that more of our colleagues on the left would give the President credit for moving toward saving our children's future.

But come to think of it, the President did not do other liberals much of a favor.

He just undercut all the people we have heard cry wolf about Republican budgets.

Mr. Speaker, the Clinton budget sequel is too little, too late—and too expensive.

Still, I am surprised his own party has not given him a little credit for showing a little concern about balancing the budget.

THE FARM FREEDOM ACT

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

Mr. POMEROY. Mr. Speaker, our colleagues, the gentleman from New Jersey [Mr. ZIMMER] and the gentleman from New York [Mr. SCHUMER], are sponsoring what they call the Farm Freedom Act. It is, to be kind, a very short-sighted proposal that would have a devastating impact, not just on rural America, but on urban America as well.

All of the Members of this House, urban and rural, suburban, have to understand that we are all in this together. Agriculture is our Nation's No. 1 industry. It is larger than Chrysler, Ford, and GM combined.

The ag sector provides 16 percent of our Nation's gross domestic product, and one of every six jobs.

And our ag exports are one of the few bright spots in our Nation's overall trade picture.

Mr. Speaker, adoption of this bill would cause severe economic dislocation and job losses, not just in agriculture, but throughout our entire economy. It is a very, very bad proposal.

THE MAGIC WILL BE BACK

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

Mr. MCCOLLUM. Mr. Speaker, I rise to congratulate the National Basketball Association champions, the Houston Rockets. Clearly this year the better team won the series that just was played between the Rockets and the Orlando Magic, but I want my colleagues to know that I and the people of Orlando are mighty proud of the Orlando Magic. They had a terrific season. They gave Orlando a wonderful experience. I have never seen our community more tightly drawn together for any one cause than they were during these playoffs around the Magic. They were the eastern division champions.

Mr. Speaker, I want to specifically congratulate: Shaquille O'Neil, Anfernee Hardaway, Horace Grant, Dennis Scott, Nick Anderson, Brian Shaw, Anthony Bowie, Jeff Turner, Donald Royal, Anthony Avent, Tree Rollins, and Brooks Thompson, the players, coach Brian Hill and his wonderful staff, and the ownership and management team of Rich DeVos and Bob Van der Weide and their group.

The Magic will be back. Wait until next year.

STANFORD STUDENTS SEND 20,000 LETTERS SUPPORTING STUDENT AID

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

Ms. ESHOO. Mr. Speaker, in April I addressed hundreds of students at Stanford University, which I am privileged to represent, about Republican proposals to cut Federal aid for higher education. At that time I said that if student aid was important to them, they needed to educate themselves about what was happening in Congress and become involved.

And get involved they did.

The Associated Students of Stanford University Senate allocated $1,000 to fight Republican cuts to student aid—aid which assists over half of Stanford's student population. This effort culminated in a 48-hour letter-signing drive which generated 20,000 signed letters to budget resolution conferees protesting these ill-conceived cuts.

Mr. Speaker, I could not be prouder of the Stanford student body. I hope my colleagues on the conference committee will reconsider these budget cuts which would undermine America's commitment to higher education, America's ability to compete in a world market, and America's investment in our future.

TIME TO TARGET THE IRS FOR POLITICAL REASONS

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

Mr. TRAFICANT. Mr. Speaker, the IRS says our investigation of the National Rifle Association is not politically motivated. Right. Who is kidding whom? How can the IRS make that statement with a straight face?

The truth of the matter is, Mr. Speaker, plain and simple, the Internal Revenue Service has targeted the National Rifle Association for political reasons. My colleagues know it, I know it, and the American people know it, and I want to say this:

I think it is time for the Congress of the United States to target the Internal Revenue Service for political reasons, and that political reason is very simple. Here in America the people govern, and it is time that the Internal Revenue Service get that message.

Think about it.

INTRODUCTION OF BILL ENDING FEDERAL AFFIRMATIVE ACTION PROGRAMS

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

Mr. FUNDERBURK. Mr. Speaker, last week I introduced H.R. 1764, legislation to eliminate over 160 Federal affirmative action programs ranging from public employment to education.

Mr. Speaker, affirmative action is an affront to the dignity of every American. It is an assault on the principle that no American should be handicapped or advanced simply on the basis of his skin color. It has been 40 years since Little Rock and almost 35 years since the hoses were shut down in Birmingham. As Bruce Fein points out in yesterday's Washington Times, ''Special preferences for minorities and women have dominated civil rights laws for the entire adult lives of the 18 to 40 years old group.''

Mr. Speaker, to continue to see America through the prism of racial entitlements reenforces the same type of dangerous thinking that led to slavery and Jim Crow. No matter what face the liberals put on it there is nothing good about racial discrimination in any form. Calling affirmative action ''benign discrimination'' is obscene. It is about time the liberals recognize that we are all one people in this country. We are all American. Let us do something right for our children, let us end affirmative action as we know it.

WHY THE REPUBLICANS ARE CUTTING MEDICARE, MEDICAID, AND SOCIAL SECURITY

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

Mr. BONIOR. Mr. Speaker, why are the Republicans cutting Medicare, Medicaid, and Social Security to pay for tax breaks for the wealthiest people in our society? We should be strengthening our Medicare system, not using it as a piggy bank or a cash cow to let the wealthiest individuals in the corporations take advantage of middle income people in America today.

If we really want to strengthen Medicare, we should shut down some of these corporate tax loopholes and expenditures totaling about $225 billion a year and corporate pork and help our senior citizens and their families make ends meet.

I say to my colleagues, Let's give our senior citizens help with the cost of prescription drug care, with long-term care, not cut their deductibles like the Republicans want to do, or increase their premiums or raise their deductibles as the Republicans want to do. Let us do that, and let us make the wealthiest in our society pay their fair share.

PRESIDENT'S BUDGET DOES NOTHING TO SAVE MEDICARE

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

Mr. SCARBOROUGH. Mr. Speaker, I would like to welcome the President of the United States into the budget debate, and I commend him for at least putting forward a balanced budget on the table, even if it does go 10 years, even if it does not cure the Medicare and Medicaid crises.

I heard the last speaker speak for a second talking about how the Republicans were cutting Medicare. The fact of the matter is the President of the United States own commission came back to him and said, ''Mr. President, Medicare and Medicaid are going to be bankrupt in the year 2002. You have got to do something about it.'' Unfortunately the President's budget does not do anything about it. It does not take care of the Medicare and Medicaid crisis. It still goes bankrupt.

Mr. Speaker, the Republican plan does take care of it, and, because of that, I think we need to move forward with the Republican plan, but at the same time I welcome the President of the United States and some of his advisers for finally standing up and showing a little courage, and daring to get into the arena and bloody themselves up instead of just saying, ''No, no, no, that's not a good deal.''

But we have got to do more. We have got to protect senior citizens. We have got to protect Medicare. We have got to protect Medicaid.

We invite the President of the United States and the Democratic Party to

come to the Republican side. Help us help senior citizens.

SKYLAR BYRD, THE PRIDE OF THE D.C. PUBLIC SCHOOL SYSTEM

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

Ms. NORTON. Mr. Speaker, the District rarely gets the opportunity to tell the countless good stories of its residents and its children. After all, in this tabloid society, success is boring. Failure is news. But some successes shine so brightly, they both capture and captivate.

Skylar Byrd, a District of Columbia public school student, made the news recently and made some history as well. Her perfect score on her SAT's when she was 15 got the attention it deserves. Skylar is a student at Banneker High School in the District.

Skylar's smart all right. But Skylar has more than her considerable talent going for her. She has a capacity for hard work, and a loving family. She also has a public school system that deserves a lot more credit than it gets. Perhaps Skylar's success can help illuminate the accomplishments of Banneker and the District of Columbia public schools and its students as well.

WAITING FOR THE DETAILS

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

Mr. SMITH of Michigan. Mr. Speaker, some of us in the freshman and sophomore classes this morning met with Ross Perot, really, I think, an inspiration for saying that we have got to move ahead and do the kind of things that we know are right.

Mr. Speaker, he mentioned that, if we took all of the Fortune 500 companies, and we took all of their assets, all of their money, and sold all of their investments, it would pay off a deficit spending for 1 year. I mean we have got a serious problem ahead of us.

Mr. Speaker, I think it is great that the President is now saying we should have a balanced budget. I am waiting for the details. I think it is important that he gets the details up here so our conferees on the budget can look at some of his suggestions, some of this administration's suggestions, on where he cuts. He is saying that it is going to take reductions in Medicare and in Medicaid.

I say to my colleagues, Let's work together to make sure we preserve those programs, that we save them not only for this generation, but for future generations.

☐ 1100

TRANSFERRING WEALTH FROM MIDDLE CLASS TO WEALTHY

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

Mr. MILLER of California. Mr. Speaker, the concern with the cuts in the Medicare that are promised in the Republican budget that is now in the conference committee is that the simple fact is they are reaching into the Medicare system to make changes to slow the growth. They are using those changes and those savings that result from that to fund the tax cuts, half of which will go to the wealthiest people in this Nation.

Yesterday the Republican conference of House Members met and they reconfirmed their commitment to that tax cut. All that can tell us is they are willing to put at risk the health care of the senior citizens that are on that Medicare system today. For those families who are concerned about their own health care and the health care of their parents, it simply means that that system will not be shored up. But among the wealthiest people in this country, the savings from Medicare will be taken away from those people and transferred to those wealthy, just as they are taking away the earned income tax credit for low-income people who go to work but cannot get above the poverty line. They are going to reduce the earned income tax credit and give that to the wealthiest people.

This is the largest transfer of income and wealth from middle class to the wealthy in the history of this country, and it ought to be repudiated on Medicare and earned income tax credit.

PRESIDENT CHANGING COURSE, SEES NEED FOR BALANCED BUDGET

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

Mr. FOLEY. Mr. Speaker, I would like to take this opportunity to sincerely congratulate the President on accepting the need for a balanced budget.

In fact, I will resolve for this day to forget any differences I may have had with the President in the past.

I will not talk about the fact that the President has constantly fought Republican proposals to downsize the Federal Government.

I will not focus on how the President has consistently bad-mouthed Republican plans to save the Medicare system—which we all agree is going broke.

And finally, I will not even think about how the President has repeatedly bemoaned Republican proposals to cut taxes for working Americans.

No, I am going to forget those things today. Because, I know that just as the President has accepted the need for a balanced budget, someday the President will change his mind and accept the need for a smaller Government, a revitalized Medicare system, and lower taxes.

SCARE MAIL ORGANIZATIONS DEFRAUDING SENIOR CITIZENS

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

Mr. EHLERS. Mr. Speaker, I rise to offer a few comments in a different vein. It arises because of concern for many of the senior citizens of this country, a group which I am on the verge of joining. Because I am on the verge of joining that group, I am beginning to get the mail which is often addressed to senior citizens, which I would call scare mail, but might more appropriately be called fraud mail.

It is mail that is intended to frighten them about what is happening in Congress and to encourage them to send these organizations money so that they can communicate to use the concern that senior citizens have about losing Medicare, about losing Social Security, about losing Federal pensions, or what have you.

It is a fraud. What brought this to mind is that recently a constituent sent me the $5 that was intended to go to the organization that was soliciting money from him.

I want every senior citizen in this country to know, and every person in this country to know, you do not have to send money to any organization in order to get your message to us. Simply write us directly. I do not add any extra weight to a communication sent to me by one of these organizations. Constituents can write us directly and let us know. They do not have to send money to these fraudulent organizations.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996

The SPEAKER pro tempore (Mr. TORKILDSEN). Pursuant to House Resolution 164 and rule XXIII, the chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1530.

☐ 1103

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1530) to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 1996, and for other purposes, with Mr. EMERSON in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole House rose on Wednesday, June 14, 1995, amendment 37 printed in part 2 of House Report 104–136 offered by the gentlewoman from New York [Ms. MOLINARI] had been disposed of.

It is now in order to consider amendment No. 1 printed in subpart F of part 1 of the report.

AMENDMENT OFFERED BY MR. MARKEY

Mr. MARKEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. MARKEY: In section 3133:

Page 528, line 17, strike out ''Funds'' and all that follows through page 529, line 9, and insert in lieu thereof the following:

(1) Of the amounts authorized to be appropriated in section 3101(b), not more than $50,000,000 shall be available for a project to provide a long-term source of tritium, subject to paragraph (2).

(2) The amount made available under paragraph (1) may not be used until such time as the Secretary of Energy has completed a record of decision on a tritium production program and congressional hearings have been conducted to determine the appropriate option, in light of the national security needs and nonproliferation and environmental consequences, for establishing a long-term source of tritium.

Page 530, strike out lines 1 through 9.

The CHAIRMAN. Pursuant to the rule, the gentleman from Massachusetts [Mr. MARKEY] will be recognized for 20 minutes, and a Member opposed will be recognized for 20 minutes.

Mr. HUNTER. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from California [Mr. Hunter] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the amendment being considered right now is a quite technical one because once the word ''tritium'' is uttered, I can see minds and attention spans drifting off onto other subjects. But it is a very important subject, because tritium is a gas which is used in order to ensure that we can derive the maximum potential from our nuclear weapons.

It is a critical subject, in fact. It is so critical that this amendment has been put in order, because it is important that this Congress and this country select the best way, the most economical way, the best proliferation resistant way, of producing this very important gas.

Now, this body and all who listen to it should understand some very fundamental facts. No. 1, the National Taxpayers Union supports the Markey-Ensign-Vucanovich-Dellums-Skeen-Richardson amendment. This is bipartisan, and it is the National Taxpayer Union's blessing having been placed upon it because they have determined that this is nothing more than radioactive pork which has been built into this bill. Not because we do not want or need the tritium, we do. That is agreed upon by Democrat, Republican, liberal and conservative.

What is not agreed upon, however, is that the committee should be able to select a particular technology and to build from $50 million more than the Department of Energy wants, than the Department of Defense wants, than the National Taxpayers Union thinks is necessary.

The decision which has been made is one which runs completely contrary to the proposition that there should be no specific earmarking of technology or location, but rather each of these decisions should be open to full competition amongst all of those who are interested in providing the best technology for the defense of this country.

That is why we bring this amendment out on the floor. It cuts out $50 million that no one wants and cannot be justified. It is a specific earmark which benefits a Swedish company trying to get a specific earmark into this bill for South Carolina. I will have to say a word. But that is not good policy. This company ABB, the Swedish company, might as well be called, instead of ABB, just A Big Boondoggle. That is what ABB stands for. You are voting for $50 million for a Swedish company for a technology that neither the Department of Energy, the Department of Defense, nor the National Taxpayers Union can support.

So we are going to be out here having this debate. It will be bipartisan. But if you want to find money that you can vote for that is not justified in this budget, this is it. This cannot be justified on any basis, either defense, energy, budgetary, or proliferation. It violates every one of the principles that we are concerned with. But most of all, it violates the principle against earmarking specific technologies with extra money that cannot be justified technologically until the Departments of Energy and Defense have gone through the process of evaluating them.

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

Mr. HUNTER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, my colleagues, I am glad that the gentleman from Massachusetts has stated that there is no dispute as to the requirement for tritium. The ranking member of the full committee has mentioned during our debate on the ABM treaty that we still, at least with respect to the Soviet Union, rely on our deterrents, on our strategic arsenal, our nuclear arsenal, to deter nuclear conflict. Tritium is an important component of that arsenal, and it deteriorates. The half-life of tritium is 5½ years. That means you have to keep making it. So the Clinton administration agrees with the committee that you have to keep making tritium, and they themselves put some $50 million into this program.

The difference is, and my colleague has said you should never have earmarking of technology, the difference is for political reasons in my estimation, and this comes from conversations with many people in the administration, people who are pro-strategic weapons. The administration has decided already not to build a reactor.

Now, there are several ways to make tritium. The way that we have used in the past, the reliable, proven method, whereby we have made our tritium in the past for our strategic weapons, is a reactor, a nuclear reactor. there have been no invitations from Massachusetts. The gentleman has mentioned that South Carolina is the place where they make tritium, have made it, have had reactors, and presumably would invite reactors in the future. We have got so similar invitation from Massachusetts to build a nuclear reactor.

But nuclear reactors are the way you make tritium in a reliable fashion. There is a chance that you can make tritium with an accelerator, but it is risky, and it is not proven. Let me tell you that I personally relied on the word and the testimony of arguably the best authority in this country on the validity or the viability of reactors versus accelerators, and that is the former head of the Los Alamos Lab, who was in charge of Los Alamos during a large part of the accelerator program, who is very, very understanding of the accelerator program, a person who is on the various commissions, who has been asked to evaluate this. And let me recite to you the words of Harold Agnew, a former director of the Los Alamos Laboratory, which would get the accelerator work or a large part of it, and he is writing to the chairman of the Committee on the Budget of the other body, and he says this:

DEAR PETE: I have been serving as a member of the Joint Advisory Committee on Nuclear Weapons Surety. Recently we were asked to assess the feasibility of using an accelerator to produce the tritium required for our future nuclear weapons stockpile. Because the accelerator would presumably be designed at Los Alamos, I particularly wanted you to have my thoughts on the issue firsthand.

My concern is that while it is technically feasible, it is not economically rational. I fear that Los Alamos may come to rely on a full blown accelerator program to produce tritium only to be disappointed when the economic realities are better understood. In these days of severe budgetary constraints, a program of this magnitude will certainly receive heavy scrutiny.

Simplified, the reality is that an accelerator producing tritium would consume about $125 million per year in electricity . . . while a reactor producing tritium would produce for other purposes about $175 million per year. . . .

In other words, a reactor makes electricity, an accelerator uses electricity, and the difference, according to Mr. Agnew, is a difference of $300 million per year.

He continues:

Over a lifetime of 40 years, that's a $12 billion consideration. It is simply counter intuitive to believe a difference in energy consumption of this magnitude will be sustainable. This is particularly true when the cost of facilities—accelerator or reactor—are roughly the same. Given a projected capital cost of $3.2 billion for the accelerator and a declining requirement for tritium, the tritium imperative is a thin reed upon which to lean.

He concludes, and this is one of the paragraphs that I think is very critical for this House to consider. He talks about an accelerator having some value if you used it for other purposes. That is to consume plutonium when it is hooked up with a reactor. So an accelerator and a reactor hooked together could do the whole thing. He says:

The accelerator is unique and can totally destroy virtually all weapons plutonium. It can do so extremely economically when combined in tandem with a deep burn reactor. The deep burn reactor using a surplus weapons plutonium as fuel could consume 90 percent of the plutonium 239 in a once through cycle. The depleted fuel element with the remaining plutonium would then be transferred to a subcritical assembly irradiated with an accelerator. The accelerator would destroy the remaining plutonium. Because there are large amounts of electricity produced when the plutonium is destroyed, there is no cost for the plutonium destruction. In fact, it makes money. The same assembly would also be able to produce tritium at the same time and at no additional cost if tritium is needed.

□ 1115

The gentleman who cited the taxpayer groups, I wish they had had a chance to sit down with one of the leaders of the Manhattan Project, Harold Agnew, the director of the Los Alamos Nuclear Laboratory and a gentleman whose colleagues would benefit and profit from an accelerator, has looked at this thing and has said, listen, if you can build a triple play reactor, that is, you can build a system that not only makes tritium but consumes plutonium and makes electricity at the same time that you can sell, thereby mitigating your costs, why not do it?

He concludes: ''I could and would get firmly behind a reactor program with this objective in mind.'' That is, this combination with the reactor and an accelerator. ''I cannot support the accelerator for the sole purpose of producing tritium because it is too expensive, its need too uncertain and there is a better way to provide the requirement while satisfying the three needs, electricity, plutonium, and tritium production for the price of one.''

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from California.

Mr. DELLUMS. Mr. Chairman, I have listened very carefully to the gentleman's argument and the gentleman and I have had an ongoing dialog on this matter. I understand that the gentleman believes that the Department of Energy at the end of the day will come out on the side of the accelerator.

My distinguished colleague from California believes very strongly in the superiority of the reactor approach. But let me read very briefly from the amendment of the gentleman from Massachusetts [Mr. MARKEY] because I think it addresses the gentleman's concern by placing the Congress in the loop to make a decision in the event that they disagree with the Secretary.

I will read very quickly. It says,

The amount made available under paragraph 1 may not be used until such time as the Secretary of Energy has completed a record of decision on the tritium production program and congressional hearings have been conducted to determine the appropriate option in light of the national security needs and nonproliferation and environmental consequences for establishing a long-term source of tritium.

So it provides the opportunity for my distinguished colleague, this gentleman, and others, to weigh in after the findings have been given by the Secretary.

Unless the gentleman feels that we are in some way impotent or incompetent to carry out our responsibilities, this is the way that we can address the gentleman's concern.

Mr. HUNTER. Mr. Chairman, I thank the gentleman for his contribution.

Let me just respond in this way before I yield to other Members. The administration, in my estimation, has already done the earmarking. Members of the administration, folks who are inside the administration, I think have made it fairly clear that they have already decided, this record of decision is down the road.

They have made the decision at this point to go with the accelerator. Let me cite to my friend the letter from the Assistant Secretary of Defense, Harold P. Smith, who basically sent us a letter that gave, in my estimation, the smoking gun.

He says, ''The funding request made by the Department of Energy was formulated in support of their production strategy,'' that is, an existing production strategy, ''of primary and backup—light water reactor.''

Well, if the backup is a light water reactor, what is the existing primary production strategy? It is an accelerator.

I would say to my friend, I have spent some time on this. I have had discussions with folks in the administration. The essence of it is, they do not think it is politically possible in this administration to come through with what Harold Agnew thinks is a scientifically meritorious decision, and that is a reactor.

My feeling is, they have already done the earmarking. I think this letter shows that. There has already been an earmarking by the administration. And because of that, I think we are going to waste valuable time, if we wait for them to come down with a paper decision that merely records a decision they have already made at this time, when the people that I rely on, and I think the committee justifiably relies on, like Harold Agnew, who was the director of the facility that would benefit from an accelerator, I think to go with what we see on the merits from a scientific way and not wait for this paper decision to come down months from now that has already been made. That is the point I would make to the gentleman from California.

Mr. DELLUMS. Mr. Chairman, if the gentleman will continue to yield, my first response is that I think it is hyperbole to refer to the Department of Energy's judgment as an earmark. All they can do is recommend. We can earmark in legislation. We write the laws.

So it is not earmarking. They may come to an option you do not agree with, but earmarking is hyperbole.

Mr. HUNTER. Mr. Chairman, I think there is an important political principle here. When you know that an agency of the Government, of the executive branch, is going to come out with what is on the face of it a decision made on the merits, but you know and you have been told has already been made and is a political decision, I think it is wrong to wait and have them utilize this decision that they have already basically broadcast to us, they telegraphed to us, it is going to be an accelerator, not for science reasons but for political reasons, to wait for that to come out months from now where that will then be used as an argument to try to weight this very important decision, where I think the scientists like Harold Agnew have already made a very clear and convincing case. That is my point.

Mr. DELLUMS. Mr. Chairman, I thank the gentleman for yielding to me. He has been very generous.

Mr. HUNTER. Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from California [Mr. HUNTER] has 8 minutes remaining.

Mr. MARKEY. Mr. Chairman, I yield 3 minutes and 30 seconds to the gentleman from Nevada [Mr. ENSIGN].

Mr. ENSIGN. Mr. Chairman, I rise today in support of the Markey-Vucanovich-Ensign amendment. Let me also agree on the importance of maintaining tritium production in this country and how critical that is to our national security.

I come from a State that in the interest of national security was willing to allow bombs to be blown up underneath our ground because we care so much about national security. So I do not come at this as somebody who is antinuclear or anything. I am coming here in support of the amendment because I believe it is the right thing to do.

First of all, we are cutting out $50 million in earmarked spending that will go to a Swedish company. Second of all, we have enough tritium to last approximately the year 2011 with current supplies, and if we recycle those, we can get it out to about the year 2015, 2017. So we have enough time to be able to research some of the other options.

I think there are legitimate differences within the scientific community on whether a reactor or an accelerator is the best way to go here. And what I am saying is that we should take that time and research truly what is in the best interest of national security as well as with environmental concerns.

Everyone agrees an accelerator is the best for environmental because it does not produce high-level nuclear waste. It produces low-level nuclear waste. So we are talking about accelerator technology, clearly, it is the best from an environmental standpoint.

You also mentioned that when taken into effect, the reactor could downgrade plutonium and reuse that and that an accelerator needs a reactor. That is discounting that there is other technology on the drawing board out there that is possibly developable in the future. That is using the transmutator. And that would no longer produce the high-level nuclear waste as well. It would actually recycle a lot of the nuclear waste that is out there. So there are other options out there that we can explore.

The point is that we do have some time to explore this without taking the next few years and using those years just to raise money to build this reactor. We can actually take the years and develop the technology that we will need.

The other problem that I have with this is that we have not built a reactor and the reactor that you are talking about is just as theoretical as the accelerator is. We have never built a reactor like this that can produce the tritium in the quantities we need, just like we have not built the accelerator to produce the tritium in the quantities we need. We know an accelerator will produce tritium. There is no question about that. In Los Alamos they have proven that as far as on the bench there.

The other problem that I have is that we cannot store the nuclear waste that we are producing at this time. Obviously the whole issue on Yucca Mountain on a temporary interim nuclear storage facility is because the people that are producing the nuclear waste all want to ship it to my State because they cannot house it now. The linear accelerators are, there is no question, they are proven technology. They are out there and the x-ray machine is basically a linear accelerator. They use it with radiation technicians for cancer, and Stanford has a very large linear accelerator. The linear accelerator technology is there. It is just a question of applying this technology to what we need. And I think it is the right thing to do, and I think this is the right amendment.

I urge my colleagues on the Republican side to support it.

Mr. MARKEY. Mr. Chairman, I yield 2 minutes to the gentlewoman from Hawaii [Mrs. MINK].

Mrs. MINK of Hawaii. Mr. Chairman, I rise in strong support of the Markey-Vucanovich-Ensign amendment that has been offered by our colleagues. As currently written, H.R. 1530 increases by 100 percent or by $50 million a program in the Department of Energy to develop a new source of tritium, a radioactive gas used to enhance the power of nuclear warheads and by doing so presumptively directs the Department of Energy to use the additional funds to not only pursue a specific technology but to award the contract to begin work on the reactor which will utilize the ABB combustion engineering concept to be built in Savannah River, Georgia to a particular contractor. This amendment eliminates these provisions and ensures that the decisionmaking process will remain open. That is the critical reason that I have come to the floor to urge that this amendment be adopted.

Secretary O'Leary noted that the Department of Energy is currently analyzing the technical, environmental, political, fiscal implications of this production technology and that, further, the analysis is nearing completion. As the previous speaker has indicated, the supply is not the issue. There is at least 15 or perhaps more years of available supply.

Therefore, it seems to me very, very persuading that we permit the Department of Energy to continue with this analysis and to come up with their recommendations.

The second aspect of the amendment, which is critical, is that rather than forestall the opportunity of Congress to have a critical role in making this decision, if we do not adopt this amendment, there will be a preemption of this opportunity by the selection of a contractor without due consideration of all of the aspects.

Furthermore, we are told that if this amendment is not approved, that the contractor, by provisions in the bill, will be allowed to spend 3 years to study the feasibility of raising the funds for this project. It seems to me, therefore, that this amendment should be passed to restore the decisionmaking to the Congress.

Mr. Chairman, I rise in strong support of the amendment to H.R. 1530 offered by Representatives ED MARKEY, BARBARA VUCANOVICH, and JOHN ENSIGN.

As currently written, H.R. 1530 increases by 100 percent—or $50 million—the program in the Department of Energy to develop a new source of tritium, a radioactive gas used to enhance the power of nuclear warheads and presumptively directs the Department of Energy to use the additional funds to not only pursue a specific technology to produce tritium, but to award the contract to begin work on a tritium-producing reactor that will utilize the ABB combustion engineering concept and be built in Savannah River, GA to a particular contractor. The Markey-Vucanovich-Ensign amendment eliminates these provisions and, ensures that the decisionmaking process related to tritium production will remain open.

WIth respect to H.R. 1530 directing the Department of Energy to pursue the ABB combustion engineering concept for tritium production, Energy Secretary Hazel O'Leary notes that the Department of Energy is currently analysing the technical, environmental, political, and fiscal implications of a range of new tritium production technologies. Secretary O'Leary also notes that the ongoing departmental analysis, including a programmatic environmental impact statement, is required under the National Environmental Policy Act. Secretary O'Leary further notes that the analysis in nearing completion and will support the selection of a preferred technology and site for tritium production.

H.R. 1530 selects the tritium-producing reactor utilizing the ABB combustion engineering concept and allows the contractor to spend 3 years to study the feasibility of raising $6 billion in private financing and concluding multiple power purchase agreements for the sale of power to be generated. Secretary O'Leary indicates that such a contract, with its 3-year feasibility study and business plan, will delay by 3 years the development of a new tritium production source.

I urge my colleagues to support the Markey-Vucanovich-Ensign amendment because it provides the funding level requested by the Department of Energy and withholds any funding for actual tritium production until the Department of Energy has completed its analysis and reached a decision on a tritium production program and, most importantly, ensures that the Congress will be able to hold hearings on any such Department of Energy decision.

Because the establishment of a long-term source of tritium touches upon various national security, nuclear nonproliferation, and environmental issues, the Congress must play a role in the debate on tritium production. The Markey-Vucanovich-Ensign amendment ensures such a role for the Congress.

Mr. HUNTER. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Georgia [Mr. NORWOOD].

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

Mr. NORWOOD. Mr. Chairman, I suppose quickly we need to correct a couple of things. The gentlewoman from Hawaii should know that the Savannah River site is in South Carolina. This is not a discussion about where we will build tritium but how. I thank the gentleman from Massachusetts in recognizing that we in fact do need to build tritium, and we are going to do it, need to be doing it by 2001, not 2017.

Mr. Chairman, for many years the Department of Energy has commenced many projects, spent huge amounts of money and often has little, if anything, to show for it in many cases. A perfectly good example of that, a recent example includes the high level waste repository in Nevada.

□ 1130

Mr. Chairman, as some of my colleagues stated in a news conference last week in regards to a proposal of the elimination of DOE, the Department suffers from problems of communication and contracting and management and mission.

Their latest effort to determine the future tritium production technology

and siting has many of the same problems. This is a very complicated technical issue, but let us try to simplify it just a little bit.

We know how to make a reactor. We have been doing that now for 30 years. The technology is there. If we go with a triple play reactor, we know we can privatize the construction of it. In a country that has 5 trillion dollars' worth of cash flow problems, that is important.

We know for a fact that this reactor will burn plutonium and help get rid of waste. We also know it will produce electricity, which will help, indeed, cut the cots.

What we absolutely must consider here is that the cost of using an accelerator, technology that we do not know for sure will work, will be considerably more expensive, to the tune of about $10 billion. We talk about $50 million, and this is a $10 billion project, if we do not go with the triple play reactor.

Mr. Chairman, I urge all Members to vote against the Markey amendment.

Mr. Chairman, for many years the Department of Energy has commenced many projects, spent huge amounts of money and has little, if anything, to show for it in many cases. A recent example of this includes the high level waste repository in Nevada.

As some of my colleagues stated in a news conference last week regarding the proposed elimination of the DOE: The Department suffers from problems of communication, contracting, management, and mission. Their latest effort to determine the future tritium production technology and siting has many of the same problems.

I believe the action taken by the House National Security Committee to authorize funding for a privatized multipurpose reactor technology is the only logical approach for the success of the next tritium production mission. This reactor would consume our excess plutonium, produce tritium and generate electricity. The resale of this electricity would generate revenues that would directly reduce the total cost to the taxpayer. The logical siting of such a reactor is the Savannah River site in South Carolina. The site has been the leader in tritium production and other related missions for more than 30 years. The taxpayer has payed billions of dollars over these 30 years building the tritium infrastructure I speak of. Mr. Chairman, it would not be prudent to rebuild a new tritium infrastructure elsewhere at an even higher cost to the taxpayer, just to satisfy the political motives of DOE.

The action by the committee represents, Mr. Chairman, it represents sound judgment to reverse the poor decisions DOE has been making for years and to ensure we continue to maintain our nuclear weapons stockpile. It is imperative that we continue to produce tritium no later than the year 2011. If we do not, our nuclear weapons stockpile will not be maintained at the level necessary to maintain our nuclear deterrence.

Mr. Chairman, the committee's decision also represents one that will cost the American taxpayer far less money, and ensure we start producing tritium no later than the year 2011.

There is a general concern by many that disposing of excess weapons grade plutonium in this reactor is a proliferation concern. This concern is unwarranted. The nuclear non-proliferation treaty contains specific provisions which allow the use of this material in nuclear reactors for peaceful purposes. Ridding ourselves of excess plutonium is definitely a peaceful purpose.

In conclusion, Mr. Chairman, if we allow the DOE to select an accelerator to produce this tritium; a decision I believe they have already made, we run a high degree of risk of not having a nuclear capability in the year 2011. Assuming it did work, and there is no evidence that an accelerator of the magnitude required will work, the lifecycle costs would amount to billions of dollars more than a multipurpose reactor. I am not prepared, and I am sure many of my colleagues are not prepared to take that risk.

I strongly urge my colleagues to oppose the Markey amendment.

Mr. MARKEY. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. DELLUMS].

Mr. DELLUMS. Mr. Chairman, I thank the gentleman for his generosity in yielding time to me.

Mr. Chairman, I rise in support of the Markey amendment. Before I go the arguments, let us define the term ''earmark'' so everyone understands, who is in this debate or observing this debate, what that is about.

The way the Congress of the United States earmarks is if it authorizes and appropriates dollars so it can only go to one place. Very simple. You do not have to be a brilliant rocket scientist to understand that you can write a piece of legislation in this legislative body in such fashion that there is no competition, that it goes specifically to one place. That is part of this.

Mr. Chairman, last year, as a matter of high principle, after negotiations with the other body we agreed as a group that we would move beyond the practice of earmarking, because we felt it so thoroughly distorted and perverted the legislative process that we need to be beyond that.

Mr. Chairman, I want to say very specifically this is the mother of all earmarks. The gentleman from California [Mr. HUNTER], who represents a district in southern California, has a firm that does reactor business. Whether I agree or disagree with reactor or accelerator, put that esoteric discussion for a moment off to the side. We are talking earmarking here.

The gentleman from California could not even get it modified so that there would be more than one reactor firm in the business, Mr. Chairman. this is a $14 million earmark to a Swedish firm in one district, ultimately to the tune of $50 million.

Mr. Chairman, I disagree with this approach on substance, because I have learned from some of my regional colleagues that ''I do not have a dog in this fight,'' so I can stand back objectively, at arms' length, and debate this matter with clean hands.

In working with the gentleman from California, back and forth, trying to figure out whether he and I could reach some accommodation that would allow the option to open up, so that his district could be represented in this matter, and this gentleman, who was raising broader issues that I will discuss a little later in my presentation, any effort that we had to try to dialog on this matter was resisted. The Committee on Rules did not even allow the gentleman on that side of the aisle to offer an amendment to open up competition just on the reactor side.

Mr. Chairman, we understand it has been stated that somewhere down the road, this is supposed to come down the pike in November from the Secretary of Energy, someone briefed somebody in the Congress and said ''We do not think it is going to be a reactor, we think it is going to be the accelerator.'' So suddenly there was a rush to judgment before we could hear from informed scientific, knowledgeable sources what are the options that are available which would still allow us to exercise our responsibilities to agree or disagree.

Apparently someone said ''Wait a minute, let us not wait until the Secretary gives us this informed judgment. Let us jump the gun. We are legislators. We are in control of the process.''

So what happened? Earmark, Mr. Chairman, the mother of all earmarks, $14 million to a Swedish firm to the tune ultimately of $50 million. Mr. Chairman, I would suggest that this is an obligation of the American taxpayer to tens of millions of dollars and potentially, down the pike, it could even achieve billions.

On that basis it ought to be rejected, just on the integrity of the process itself, having nothing to do with the substantive issues like nonproliferation and these kinds of things, just the fact that we ought to reject that approach to how we do our business.

We talk here about clean hands and fair play and openness and above board. This is inappropriate. With this gentleman in the last Congress, when I stood as chairman of the former Committee on Armed Services, we stood up publicly and said ''We will resist earmarking.'' We tried to legislate in the authorizing process to end that, because all of us in here at one time or another have been burned by the process of earmarking.

Our dignity and our self-respect and our integrity as legislators dictate that we do not go down this road, Mr. Chairman. It may be right at the end of the day, but let it be right because the process led us there, not because we exploited or manipulated it.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. DELLUMS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think it should be rejected on that basis alone.

Mr. NORWOOD. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to the gentleman from Georgia.

Mr. NORWOOD. Mr. Chairman, I think it is important to say that this authorization defense bill does not earmark where we produce tritium. It does imply how we should produce tritium, and that is because the Department of Energy has made up their mind that they want to use a faulty process in the accelerator that may not let us have the tritium we need to have a nuclear proliferation.

Mr. DELLUMS. Reclaiming my time, Mr. Chairman, the report language specifically refers to location. Everyone in here, and I would say, sir, we may disagree politically, but I choose not to insult the gentleman's intelligence. I hope he does not choose to insult mine.

I have been on the Committee on Armed Services for 20-some-years. I think that I have enough experience to know an earmark when I see one. This is in the report. We all understand it. I would tell the gentleman to ask the gentleman standing next to him. He knows it is an earmark, because his reactor company has been left out of the process.

I am 59 years old and do not have my glasses, so it is a little difficult to read here, but let me just refer the gentleman to page 305 of the report dealing with section 3133, tritium production, and about a half of the way down the page, with the paragraph starting ''On March 1, 1995,'' there the gentleman will see the earmark.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, I thank the ranking member, the distinguished gentleman from California, for yielding to me.

Mr. Chairman, let me mention what the gentleman mentioned first, the gentleman from Massachusetts [Mr. MARKEY] mentioned. That was technological earmarking.

There is probably no bill that is a perfect bill, but my objection to the idea of having this record of decision come down on the technology is, to my colleague, and he is a realist and I am a realist, is it is politically impossible, in my estimation, for the Clinton administration to come down on behalf of anything except an accelerator. I think that is what they feel is politically doable, and even though everybody agrees we have to build tritium, they are nonnuclear enough to say that we do not want to be building it with a reactor.

I think the gentleman would be just as insulted by a record of decision that comes down this fall that will supposedly be based on scientific merit, but in fact it will not be based on scientific merit. It will be based on the decision that at least is implied as having already been made by the Assistant Secretary of Defense, Mr. Smith, in his letter, where he says ''Our program is to go with what is,'' and I am paraphrasing, ''the lead technology,'' and then there is a backup technology, which is the reactor, implying obviously the lead technology is an accelerator.

Of course I want to have my people participate and have a chance to participate in any work that is done, but I think there is an overriding goal here that in my estimation is very compelling. That is to continue to produce tritium, to do it in a reliable way, and I think everyone would agree that the only reliable way we have done it in large quantities is with a reactor.

Last, all of these arguments have been made about how scientifically we can do this with an accelerator. The director of the laboratory that would benefit from the accelerator said these words: ''I cannot support the accelerator for the sole purposes of producing tritium because it is too expensive, too uncertain, and there is a better way to provide for the requirement while satisfying 3 needs,'' and that is electricity, tritium, plutonium.

Mr. DELLUMS. The gentleman has made that point, Mr. Chairman. It is a little redundant.

Mr. HUNTER. My point is there is just as bad earmarking on the part of the administration, earmarking technology that flies in the face of what the scientists say is needed.

Mr. DELLUMS. Mr. Chairman, if I might reclaim my time, the bill reads ''$14 billion shall be made available to private industry to begin implementation of the private advertised multipurpose reactor program plan submitted by the Department of Energy,'' et cetera, et cetera, to the Department.

Mr. Chairman, with respect to the gentleman's major assertion, the amendment provides the opportunity for the Congress of the United States to weigh in. This is a triumvirate form of government. The executive branch will make an option. The gentleman may disagree with it, but the gentleman and I together can hold hearings, we can make judgments, we can make determinations, we can legislate in this area. I am simply saying when we read that and we read the report language, it is an earmark.

Mr. Chairman, let me finally conclude by saying, A, the Department of Defense opposes this provision in the bill. The Department of Energy opposes this provision in the bill. The Arms Control Agency opposes this provision in the bill. Why does it? It opposes it because part of our nonproliferation strategy has been that we would not breach the firewall between civilian and commercial use of nuclear power.

The CHAIRMAN. The time of the gentleman from California [Mr. DELLUMS] has expired.

Mr. MARKEY. Mr. Chairman, I yield 1 minute to the gentleman from California.

Mr. DELLUMS. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, an important part of our nonproliferation strategy is that we would not breach the firewall that exists between commercial and civilian use of nuclear power and military use of nuclear power for the purposes of developing nuclear weapons. That is the moral high ground upon which we stand. That is the moral high ground that allows us to challenge North Korea and it allows us to challenge the Iranians: Do not breach that firewall.

How noble are we, then, if we embrace this approach in this bill, multipurpose reactor? It speaks to breaking that firewall. At that point, where is the high ground that allows us to say to the North Koreans, or to the Iranians, ''You are doing a bad thing?'' All they have to do is turn around and say ''Do as you say, don't do as you do,'' because this is exactly what we are doing.

This is too precious for our children, too precious for the future, for us to be violating this incredible approach to nonproliferation. That is our fundamental strategy. It is for those and many other reasons, Mr. Chairman, that I argue that my colleagues support the Markey amendment.

Mr. HUNTER. Mr. Chairman, would the Chair tell us how much time we have remaining?

The CHAIRMAN. The gentleman from California [Mr. HUNTER] has 6 minutes remaining, and the gentleman from Massachusetts [Mr. MARKEY] has 4½ minutes remaining.

Mr. HUNTER. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, I would remark, the gentleman mentioned that a number of authorities in the Clinton administration are against this approach. Let me just say that in my estimation, the guy who was the leading authority on the validity of reactors versus accelerators endorses this approach, and the last of his letter says ''With respect to an accelerator, it is too uncertain, and there is a better way for the requirement, while satisfying three needs for the price of one.'' That is, the leading authority, in my estimation, on this technology endorses the idea of a triple play.

Mr. Chairman, I yield 2 minutes and 30 seconds to the gentleman from South Carolina [Mr. GRAHAM].

Mr. GRAHAM. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, this is probably one of the most important debates that I have followed in Congress, because I am from South Carolina, and the men and women of the Savannah River site have for the last 40 to 50 years produced tritium by reactor in my district to help win the cold war. We want to continue to do it for the country, not because I am from South Carolina, but because we have the infrastructure, we have the community commitment, we have the will to do it, and I want to do it in the most fiscally sound and conservative manner.

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I will tell you when this administration and DOE will prefer a reactor to do anything. That is when hell freezes

over. It will not be 2011. If you want to produce tritium to maintain a national defense structure, you need to start now. Not 2011 when START II is implemented.

What I am asking my colleagues who are fiscally conservative to do is look at the numbers. This is not about millions, it is about billions. The Clinton DOE will never prefer a reactor that we know will work, that will save the construction costs. The energy costs alone are $10 billion over the life of the reactor.

This is about politics and spending billions of dollars on technology that is pie in the sky and not going to something we know that works that can make plutonium that works and create energy and is privately financed. It is about politics.

The men and women of my district understand tritium. We understand politics and I hope my colleagues will call the National Taxpayers Union and talk to Mr. Paul Hewitt. I have. They have information about millions. That does not consider the billions. They will consider the billions.

This is politics at its worst. Let's get on with defending America. 2011 is here today. How long does it take to get any technology going? Never, with an accelerator, because it never produced tritium.

The reactor has produced tritium in this country. We need to start now because it takes a long time, because we want to be safe and we should be safe. But we need to start now to give our children a secure future financially by saving billions of dollars with technology that works.

And a secure future with the threat of Iran and Iraq is not looking at will they follow our lead, but will we have the resources to implement American policy? And not ask them to follow our lead, but we will be the biggest guy with the biggest stick on the block all the time. That is what this debate is about.

Mr. MARKEY. Mr. Chairman, I yield 2 minutes to the gentleman from New Mexico [Mr. RICHARDSON].

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

Mr. RICHARDSON. Mr. Chairman, let me clear up one thing that my friend from San Diego mentioned. The Los Alamos Laboratory wants the accelerator made. The gentleman has been referring to Harold Agnew, an official of the labs.

Harold Agnew has been out of office for 15 years and he is now a contractor with one of the companies trying to get the contract. So let me be clear. The Los Alamos Laboratory, which is an expert in this area, would like to be involved in this process, as would the States of Texas, Idaho, Nevada, and Tennessee. And because of this specific earmark, all of these States are locked out and we have a Swiss-Swedish firm getting a benefit over American companies.

That is not right. These States, and my labs in Los Alamos, are experts. Why are we making decisions that scientists should be making?

These are thousands of scientists. Ph.D's at Los Alamos, at DOE, at Savannah River. They should be making these decisions. And I think a Swiss-Swedish firm, they may be very competent, I don't think they should be barred, but what this Markey amendment is doing, and I must say it is a bipartisan amendment. It is the gentleman from Nevada [Mr. ENSIGN] and the gentlewoman from Nevada [Mrs. VUCANOVICH]. My name is on it. We just want an open process.

We think that this process by which there was a specific mention, an earmark, is flawed. We are saving the taxpayers money, $50 million. But let me be absolutely clear. I represent Los Alamos. They are in my district. They are for the Markey-Ensign amendment because they want science and scientists to have a chance.

So, my good friend should not mention Harold Agnew who is a good public servant. But he was 15 years ago. He is a contractor now. Of course, he has an interest. We respect that.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding.

Would the gentleman tell me what contracting firm Mr. Agnew is supposed to be working for now?

Mr. RICHARDSON. General Atomics.

Mr. HUNTER. General Atomics is excluded from being able to participate in this amendment.

I would ask how much time we have remaining, Mr. Chairman.

The CHAIRMAN. The gentleman from California [Mr. HUNTER] has 3 minutes remaining.

Mr. HUNTER. Mr. Chairman, I yield 1½ minutes to the distinguished gentleman from Kansas [Mr. TIAHRT] to whom we always give plenty of time.

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

Mr. TIAHRT. Mr. Chairman, I appreciate the additional time. With all due respect, I must rise in opposition to this amendment.

Since 1992, the Department of Energy has been working on this alternate source for producing tritium and they tell us they are 3 to 4 years away from doing that. It is going to cost taxpayers more money.

I want to remind the body that the Department of Energy is the same agency that the Vice President told us in the National Performance Review misses 20 percent of its milestones and is 40 percent inefficient. That means that their estimates could be longer than expected and overrun in cost.

But if we use the multipurpose reactor for the production of tritium, it represents a tried and true technology. This technology would also be the least cost to the American taxpayer and it would guarantee that we are going to produce tritium on time.

Mr. Chairman, I, along with my other colleagues on the Committee on National Security, are concerned—but not surprised—about the lack of progress that the Department of Energy has been making toward this long-term source of tritium and it is essential if we are going to maintain our nuclear weapons for nuclear defense.

But we cannot allow our nuclear weapons capability to diminish just to satisfy an antinuclear coalition in the administration and in the Department of Energy. We need to do what is right for the American people and for the national defense.

Time is running out. And we cannot afford to wait on the Department of Energy to get its act together. I urge my colleagues to defeat the Markey amendment.

Mr. MARKEY. Mr. Chairman, I yield 30 seconds to the gentleman from Nevada [Mr. ENSIGN].

Mr. ENSIGN. Mr. Chairman, just a couple of points. First of all the multipurpose reactor, that technology has not been developed as well. We have never produced with the reactor the amount of tritium that we are talking about developing today.

Also, the tritium, as far as technologically, has been produced from an accelerator. This is false when my colleagues say it has not. Granted, I will admit that the accelerator technology is not as far along, but we have the time to see whether we can develop this technology with an accelerator. No question about it. It is environmentally the safest thing to do.

Mr. HUNTER. Mr. Chairman, I understand we have the right to close the debate.

The CHAIRMAN. The gentleman from California [Mr. HUNTER] has the right to close.

Mr. MARKEY. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. BROWN].

(Mr. BROWN of California asked and was given permission to revise and extend his remarks.)

Mr. BROWN of California. Mr. Chairman, I rise in strong support of the amendment offered by the gentleman from Massachusetts.

Mr. Chairman, I rise in strong support of the Markey-Vucanovich-Ensign amendment. What this bipartisan amendment does is very simple: It allows the existing search for the best site and the best technology for the provision of tritium to go forward. The Department of Energy has been engaged in an evaluation of five different technologies and five different sites and a decision is expected in late summer or early autumn.

H.R. 1530 threatens to derail that process. It would add $50 million to the administration's request for tritium work and would choose a winning site—Savannah River—and a winning technology—the so-called triple play reactor proposal led by Ansea, Brown & Boveri. In choosing a winner, H.R. 1530 short-circuits

the process of technology and environmental evaluation that was intended to guarantee that the taxpayers get a tritium facility that minimizes its nuclear proliferation potential, is environmentally sound and cost effective.

I am not saying that I know that the ABB proposal is the most expensive or least attractive or that Savannah River is an inferior site. The fact is I don't know that. But that is precisely the point: No one in this body knows which technology, which consortia and which site offers the best deal for the taxpayer. There is no record of judgment by impartial experts that we can turn to for guidance because the experts are still doing their work. There are no hefty hearing volumes documenting the full and exhaustive review of this billion dollar deal to explain why we must intervene to stop that impartial review and pick or own winner.

Some of my friends on the other side of the aisle like to say that bureaucrats aren't good at picking winners and losers among technologies; I would suggest that when it comes to choosing winning technologies, Congress makes bureaucrats look like geniuses.

There is general agreement that we need a new tritium facility. But let us give our citizens a facility that is the best that their money can buy. To do that, we need to repudiate a pork-driven decision, we need to let the selection process go forward to let these technologies and sites compete. Support good government and a fair process. Vote for Markey-Vucanovich-Ensign.

Mr. MARKEY. Mr. Chairman, I yield myself my remaining time.

Mr. Chairman, let me conclude by saying this. Using the words of the gentleman from California [Mr. HUNTER], Massachusetts does not have a dog in this fight. This is not a battle that I certainly have any interest in.

My only problem with this whole debate is that after a day of sanctifying the whole concept of procurement reform just 2 days ago, we now come back out here on the floor and we allow for a single Member to earmark a specific technology that does not even exist to be the exclusive way that we are going to produce one of the most important defense technologies in our country.

Now, we keep hearing about a 3-in-1 technology. It is good for plutonium. It is good for electricity. It is good for this. It is good for that. It sounds like you are listening to an ad for a chopomatic at 3 a.m. in the morning on channel 43.

This technology does not exist. And, in fact, although we are talking about $50 million out here, the truth is it triggers $6 billion worth of reactor that has to be built. By the way, a reactor which has never produced tritium before.

The technology which they are selecting has never, in fact, performed this task before. Now, you hear the word linear accelerator. What does that mean? Well, it is just another fancy word for saying atom smasher. That is what a linear accelerator is.

Right now the National Academy of Sciences, the Department of Energy, the Department of Defense, are evaluating linear accelerators as opposed to this new reactor which has never been tested with regard to which is the better way of going to produce tritium in this country.

Now, I do not care which technology they select, but I do know that this bill should not have $50 million in it for a Swedish firm for a technology that ultimately triggers $6 billion worth of expenditures before we have had a technical evaluation. That is what this whole debate is about.

And the $50 million is opposed by the National Taxpayers Union, by the gentleman from Nevada [Mr. ENSIGN], by the gentlewoman from Nevada [Mrs. VUCANOVICH], and a cross-section of Democrats and Republicans that want a balanced budget, fairly done, with logical assessment done of each and every item. This provision violates every one of those principles.

Mr. HUNTER. Mr. Chairman, I yield such time as he may consume to the gentleman from Idaho the gentleman from [Mr. CRAPO].

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

Mr. CRAPO. Mr. Chairman, I rise in strong support of the committee's product. We in Idaho are doing some critical research under this proposal that will help us to develop this program.

Mr. HUNTER. Mr. Chairman, I yield our remaining time to the gentleman from Texas [Mr. THORNBERRY].

The CHAIRMAN. The gentleman from Texas [Mr. THORNBERRY] is recognized for 1½ minutes.

Mr. THORNBERRY. Mr. Chairman, the Texas panhandle is a long way from either Savannah River or from Nevada where the accelerator would be built, but I think it is very important to make these basic points.

We have no choice on tritium. Everyone has agreed with that. And we need it quickly. Now, this is a gas that deteriorates at a rate of approximately 5 percent a year. We have built none in this country since about 1988. And the longer we take, particularly with an unproven technology, the worse off it is for the security of this country.

I think the key point, however, that I want to make is this. The committee version advances both options. Currently, the Department of Energy is only looking at one option and that is an accelerator. They are not considering in any manner the sort of reactor that would be considered under this bill.

Now, I will tell my colleagues that in my district we have got a lot of excess plutonium that is building up as we dismantle weapons that we are bringing back from Europe. We have got to figure out what to do with that plutonium and the reactor is one option that we ought to consider as a way to dispose of that excess material.

The Department of Energy will not even consider it and there are no other technologies that are even close to being considered at the current time. The committee bill gives approximately the same amount of money toward the accelerator as the gentleman's amendment would do, but it adds to that. It doubles the amount of money because of how important this gas is and it gives us another option to look at.

We are not bound to any option forever, but it does push forward the process on both counts so that we can find the best, most economical, safest way to produce tritium and that can accomplish our other security goals as well.

Mr. SPENCE. Mr. Chairman, I rise in support of the committee position and in opposition to the Markey amendment which would cut funding for a new tritium production source by 50 percent. The Markey amendment would also erect additional barriers not in even the administration's request to achieving a low-cost, reliable supply of tritium.

Tritium is needed to ensure the safety and reliability of the U.S. nuclear weapons stockpile. Because tritium decays at a rapid rate, it must be regularly replenished. However, the United States currently has no capacity to produce tritium and therefore a new production source has been in the works for years.

H.R. 1530 directs the Department of Energy to pursue the lowest cost, most mature technology to accomplish this mission—and that is a reactor. Reactor technology has produced all of the tritium currently used in U.S. nuclear weapons.

The committee also endorsed using reactor technology to burn plutonium and to generate electricity. The prospect of private sector financing could also dramatically reduce the cost of the American taxpayer of this critically important undertaking.

The Markey amendment would cut the funds added by the committee for future tritium production, and would give the Department of Energy the final say over which tritium production technology should proceed. We fear that the Department is headed in the direction of actually selecting the less mature, more costly accelerator option.

Let us do what's right to most cost-effectively ensure our ability to maintain our nuclear weapons stockpile. Let's get on with this innovative cost-saving approach to producing tritium. The only way to do this is to support the committee and vote ''no'' on the Markey amendment.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Massachusetts [Mr. MARKEY].

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

RECORDED VOTE

Mr. HUNTER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 214, noes 208, not voting 12, as follows:

[Roll No. 381]

AYES—214

Abercrombie	Andrews	Barcia
Ackerman	Baesler	Barrett (WI)
Allard	Baldacci	Becerra

Beilenson
Bentsen
Berman
Bevill
Boehlert
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Bunn
Camp
Cardin
Chabot
Christensen
Clay
Clayton
Coble
Coleman
Collins (IL)
Condit
Conyers
Costello
Coyne
Cramer
Crane
Danner
DeFazio
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Duncan
Durbin
Edwards
Engel
Ensign
Eshoo
Evans
Farr
Fattah
Fawell
Fazio
Fields (LA)
Filner
Foglietta
Forbes
Ford
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Gephardt
Geren
Gibbons
Gordon
Green
Greenwood
Gutierrez
Hamilton
Hefner
Hinchey
Hoekstra
Holden
Hoyer
Istook
Jackson-Lee
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kasich
Kennedy (MA)
Kennedy (RI)
Kildee
Klink
Klug
LaFalce
Lantos
LaTourette
Lazio
Leach
Levin
Lewis (GA)
Lincoln
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney
Manton
Manzullo
Markey
Martini
Mascara
Matsui
McCarthy
McDermott
McKinney
McNulty
Meehan
Menendez
Metcalf
Meyers
Miller (CA)
Mineta
Minge
Mink
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NOES—208

Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
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Barrett (NE)
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Barton
Bass
Bateman
Bereuter
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Blute
Boehner
Bonilla
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Brownback
Bryant (TN)
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Canady
Castle
Chambliss
Chenoweth
Chrysler
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Collins (GA)
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de la Garza
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Doolittle
Dornan
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Dunn
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Emerson
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Everett
Ewing
Flanagan
Foley
Fowler
Franks (CT)
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Funderburk
Ganske
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Gilchrest
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Goodlatte
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Hall (OH)
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Johnson (CT)
Johnson, Sam
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Lewis (CA)
Lewis (KY)
Lightfoot
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Livingston
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McDade
McHale
McHugh
McInnis
McIntosh
McKeon
Meek
Mica
Miller (FL)
Molinari
Mollohan
Montgomery
Moorhead
Murtha
Myrick
Nethercutt
Norwood
Nussle
Ortiz
Packard
Paxon
Pickett
Pombo
Portman
Pryce
Quillen
Quinn
Radanovich
Roberts
Rohrabacher
Ros-Lehtinen
Rose
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Shadegg
Shaw
Sisisky
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stockman
Stump
Talent
Tate
Tauzin
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Tiahrt
Traficant
Upton
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff

NOT VOTING—12

Chapman
Collins (MI)
Dickey
Fields (TX)
Flake
Hastings (FL)
Kleczka
Mfume
Oxley
Shuster
Thornton
Yates

□ 1220

Messrs. ROHRABACHER, GILCHREST, GONZALEZ, LATHAM, and WHITFIELD changed their vote from ''aye'' to ''no.''

Messrs. DICKS, LAZIO of New York, METCALF, MYERS of Indiana, ROGERS, PARKER, BUNN, JEFFERSON, KENNEDY of Rhode Island, and Ms. BROWN of Florida changed their vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. It is now in order to consider amendment No. 1 printed in subpart G of part 1 of the report.

AMENDMENT OFFERED BY MS. DELAURO

Ms. DELAURO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. DELAURO: Page 311, strike out lines 1 through 13, relating to section 732 (expansion of existing limitations on the use of defense funds for the performance of abortions).

The CHAIRMAN. Under the rule, the gentlewoman from Connecticut [Ms. DELAURO] and a Member opposed each will be recognized for 20 minutes.

Does the gentleman from California [Mr. DORNAN] claim the time in opposition?

Mr. DORNAN. Yes, Mr. Chairman.

The CHAIRMAN. The Chair recognizes the gentlewoman from Connecticut [Ms. DELAURO] for 20 minutes, and then the gentleman from California [Mr. DORNAN] will be recognized for 20 minutes.

Ms. DELAURO. Mr. Chairman, I yield myself 2 minutes.

(Ms. DELAURO asked and was given permission to revise and extend her remarks.)

Ms. DELAURO. Mr. Chairman, I offer this bipartisan amendment on behalf of myself, the gentlewoman from Colorado [Mrs. SCHROEDER], the gentlewoman from California [Ms. HARMAN], the gentleman from Massachusetts [Mr. TORKILDSEN], and the gentleman from Kentucky [Mr. WARD]. Our amendment strikes language in this bill that would prohibit privately funded abortions from being performed at overseas military hospitals.

Mr. Chairman, this amendment preserves the right to choose for female military personnel and dependents, and it insures that these women who serve our country in uniform are not denied safe medical care simply because they are assigned to duty in other countries.

I want to emphasize several points about our amendment:

First, it simply continues current policy that allows women to use their own funds. Let me repeat that: Their own funds to pay for abortions in overseas military hospitals. These patients are charged the full reimbursement rate for same-day surgery, more than the cost for abortion services at private facilities in this country, in order to insure that no Federal funding is involved.

Second, no medical providers will be forced to perform abortions. This amendment preserves the conscience clause that already exists in all branches of the military.

Third, this is not a new policy. Privately funded abortions were allowed at overseas military facilities from 1973 to 1988, including all but a few months of the Reagan administrations, and they have been permitted again since President Clinton's executive order of January 1993. The ban that existed from October 1988 to January 1993 was the exception.

This amendment involves no special treatment or taxpayer funding. It simply assures that women who served in the armed services have access to safe medical care.

I urge the support for this amendment.

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

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. DORNAN] for 20 minutes.

Mr. DORNAN. Mr. Chairman, I will have about 11 speakers, and do I understand correctly, sir, that there is 20 minutes on each side? I have come up with a strict time allocation, and I have several people from leadership. I have a medical doctor who is an Army major that will be my leadoff speaker, and I will ask the folks speaking to please understand my problem when I say I cannot yield any additional time to them. This is not one of the easiest things.

The CHAIRMAN. Does the gentleman from California [Mr. DORNAN] yield time to himself?

Mr. DORNAN. Yes, Mr. Chairman, I yield myself 1 minute, possibly 2.

The CHAIRMAN. The gentleman from California is recognized then for 1 minute.

Mr. DORNAN. Mr. Chairman, not only will I have an Army doctor, a major, one of our newest Members, the gentleman from Florida [Mr. WELDON], to speak, and those stalwarts who are all chairmen now like the gentleman from Illinois [Mr. HYDE] and the gentleman from New Jersey [Mr. SMITH]. Our whip is going to speak early on here, the gentleman from Texas [Mr. DELAY], the secretary of our conference, the gentlewoman from Nevada [Mrs. VUCANOVICH], some other freshmen, people who have been leaders in this issue, the gentleman from Missouri [Mr. VOLKMER], one of the great pro-lifers in this House on the other side of the aisle, and we are not going to have time even with all those great speakers to get into a fulsome abortion debate, but I missed the press conference this morning organized by our freshmen about, and this is what people who are pro-abortion or pro-choice do not want to discuss, called partial birth abortion, where they start the birth process, they bring the baby—it is not a fetus at this point—down into the birth canal, and then they suck its brains out. They do not want to talk about things like that. I do not want anything like that going on in military hospitals.

The CHAIRMAN. The time of the gentleman from California [Mr. DORNAN] has expired.

Mr. DORNAN. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, I do not want this going on in military hospitals, nor does a single doctor, male or female, Army, Navy, Air Force, Marine Corps uses Navy doctors, want to do this. Our defense dollars are to save lives, not to flatline brain waves and not to snuff out little beating hearts.

So, with that I will just say there is going to be a lot of misinformation. These are military hospitals paid for with tax dollars, and so are the doctors.

Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. WELDON], an Army major, Army medical doctor.

Mr. WELDON of Florida. Mr. Chairman, I thank the gentleman from California for yielding this time to me, and I will try to make my comments brief so that perhaps some of the other speakers would have the time that they need.

I would just like to share with my colleagues on both sides of the aisle that, when the Reagan policy was initiated, I was in the Army Medical Corps. and I was practicing medicine. I was actually in my residency, and I was working with many ob/gyn residents, and the general consensus, at least amongst the people who are out there doing what we asked them to do, was that we very much appreciated the Reagan policy because the feeling amongst most physicians is that providing abortions is not medical care. Most physicians go to medical school because they want to help the sick and help the needy, and the idea of using those skills to snuff out the life of the unborn is directly in contradiction with the principles that drew them into medicine, and to have a military officer, a military medical officer of all people, involved in doing this procedure, the use of a military facility runs directly in contradiction with all of those principles that drew us, as physicians, into the Medical Corps, and we were very grateful for that policy, and I am very much wholeheartedly in support of the gentleman from California, Mr. DORNAN's, amendment. I believe that it will be upheld.

I believe the sentiment of this Congress has shifted in favor of our position, and I speak as a man of experience who has been out there taking care of military families, and speak with that experience, and I say to my colleagues that this policy is very, very much embraced by the officers in the Army Medical Corps, in the Air Force Medical Corps, who wholeheartedly support the belief that we should be in this business.

□ 1230

Ms. DELAURO. Mr. Chairman, I yield myself 10 seconds just to make a comment on what the prior speaker said.

Mr. Chairman, there is the conscience clause which is preserved, as in all branches of the military, as it is here. So there is no military personnel, professional personnel, who has to deal with performing a procedure.

Mr. Speaker, I yield 1½ minutes to a cosponsor of this amendment, the gentleman from Massachusetts [Mr. TORKILDSEN]. It is a pleasure to yield in the bipartisan spirit of this amendment.

Mr. TORKILDSEN. Mr. Chairman, I rise today in support of this amendment to protect the basic right of women to choose.

To reiterate, under the law now no military personnel can be forced to participate in an abortion if they do not choose to. There is a conscience clause which will still remain in effect if this amendment passes, and I hope this amendment passes.

We all understand, whether we agree or not, that safe and legal access to abortion is the law of the land. The provision in this bill which we are seeking to strike would deny that right to service women, to the spouses of service men, and to their dependents who are overseas.

Current defense policy does not contribute any funds for abortion services. As a supporter of the Hyde amendment, and I repeat that, I am a supporter of the Hyde amendment, I agree with that policy. Federal funding is not the issue here. This amendment will correct a provision in the defense bill that would discriminate against women in the military.

Passage of this amendment will only allow current policy to continue. If a woman seeks to have an abortion, she can do so, but only if she uses her own funds. Let us keep that basic right and vote yes for this amendment.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman yields back 15 seconds.

Mr. DORNAN. Mr. Chairman, I yield 1½ minutes to the gentleman from Texas [Mr. DELAY], our leadership on this side, our whip.

Mr. DELAY. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in very, very strong opposition to the DeLauro pro-abortion amendment. As many of you know, the majority of Americans oppose Federal funding for abortion. However, just 4 days after his inauguration, President Clinton issued an executive memorandum allowing military facilities to perform abortions.

The DeLauro amendment takes the President's memorandum even further, to codify the use of Federal tax dollars for abortions in U.S. overseas military facilities.

Make no mistake about it. When the taxpayers spend their money to open the clinics and open the hospitals, to build the facilities and pay for the doctors, taxpayers are paying for abortions that may be paid for by the woman, but that fee in no way covers the cost of these facilities.

The Dornan language now in the bill passed overwhelmingly in committee. The Dornan language simply restores the Reagan and Bush policy that prohibited overseas military facilities from performing abortions.

As my friends on the other side of the aisle will agree, this is a very emotional issue, so let me be very clear about what is happening here. President Clinton and supporters of the DeLauro amendment are obligating men and women who have taken the Hippocratic Oath, who may find abortion morally and professionally unconscionable, to perform abortions in federally funded facilities. It is not only morally offensible, but it is an abuse of Federal tax dollars. Vote no on the DeLauro amendment.

Ms. DELAURO. Mr. Chairman, I yield myself 10 seconds.

Mr. Chairman, this amendment in no way adds to current law. It simply strikes the new language in the bill. It does not go further than what current law is all about. Women pay for these costs, and it is a price determined by the military hospital, payable to the U.S. Treasury.

Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. BENTSEN].

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

Mr. BENTSEN. Mr. Chairman, I rise in strong support of this amendment.

Mr. Chairman, I rise in support of the DeLauro amendment to the Defense authorization bill. This amendment simply preserves the right for our female military personnel and their dependents stationed abroad to have the same constitutional rights guaranteed to women here in America.

Current policy allows women stationed overseas to use their own personal funds to obtain abortion services at military hospitals. This legislation seeks to reverse this policy and ban such privately funded abortions. This is wrong and contrary to public law. We should not discriminate against female military personnel just because they are stationed overseas.

The issue here is not taxpayer funding nor special treatment for these women. No military medical providers would be forced to perform abortions. No Federal funds would be used. This is just an issue of fairness to the women who sacrifice every day to serve our Nation. They deserve the same quality of care that women in America have access to each day.

American women here and abroad should have the right to choose. This right is protected by the Roe versus Wade Supreme Court decision and ultimately the U.S. Constitution. The DeLauro amendment simply reaffirms this right. It is an issue of fairness and equity. I urge my colleagues to support it.

Ms. DELAURO. Mr. Chairman, I yield 2 minutes to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Chairman, I thank the gentlewoman from Connecticut for her leadership on this.

She is absolutely right. If we do not pass this amendment, what we are going to be doing is making the women who serve either as dependents, following their spouses around wherever they are ordered to go, or women in the military second class citizens.

We are sending them all over the world. They do not get to pick where they go, they are ordered where to go, all over the world to protect our freedoms, and then denying them the very same freedoms that they would be allowed at home.

Now, I think it is so important to say that their being able to exercise these freedoms impinges on no one in the military, because the conscience clause is there, alive and well, and any military medical personnel can exercise it.

Second, these fees are set the same way they are set in the private sector; that is, there is a pro rata share of the overhead assessed. So the people are paying the full cost of this.

Mr. Chairman, only 10 of these have happened since this was lifted. This is not something someone does lightly. But it is something when you are far away from home and something goes wrong with the pregnancy or something happens that the woman's life or health is in jeopardy, you would like to think they have the constitutional right and the backing of the U.S. Congress, that ordered them into this place way far away, to be able to exercise those rights and protect their health. That is what this is about.

Are we going to treat these people as full class citizens, or aren't we?

When we station military personnel we do not ask them to give up their rights to free speech, to exercise their religion, to assemble. We don't require them to give up their legal protections against illegal searches and seizures, the right to a speedy and public trial, a right to an attorney. This bill, as reported out of the subcommittee, asks military women and dependents to give up their legally protected right to choose.

Currently, active duty women stationed overseas, and dependents of military personnel stationed overseas are guaranteed the same rights that they would have if they were stationed stateside because they are allowed to pay the costs of an abortion in a military hospital out of their own pocket. Currently, no DOD funds can be used to fund abortions unless the life of the mother is in danger. Currently, no military medical personnel are required to perform an abortion if they object to doing so, unless the life of the mother is at risk.

The ban on privately paid abortions for military women overseas strips women of the very rights they were recruited to protect.

The ban on abortions at military hospitals is unfair, dangerous, and discriminatory to military personnel. Prohibiting women from using their own funds to obtain abortion services at overseas military health facilities endangers their health. Women will be forced to seek out illegal, unsafe procedures, or be forced to delay the procedure for several weeks until she can return to the States. The question for our House colleagues is whether they can justify limiting constitutionally protected rights and providing a lower standard of health care to military women and family members simply because of their geographical location. I cannot.

Mr. DORNAN. Mr. Chairman, I yield 1 minute to the gentlewoman from Nevada [Mrs. VUCANOVICH], part of our leadership.

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

Mrs. VUCANOVICH. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, the men and women who serve as military doctors in our armed services take an oath to save and defend lives. Most do not want to participate in the destruction of human life. Despite the great reluctance of doctors to perform abortions—the Pentagon, under the direction of the Clinton administration, is insisting that a way be found to allow abortion on demand at our military facilities.

While women seeking an abortion must pay for the procedure—having the procedure take place at a military hospital raises concerns regarding the use of taxpayers money to subsidize abortion-related expenses.

Opponents of the Dornan provision may argue that many nations hosting U.S. military bases may have limits on abortions—making it difficult to obtain this procedure safety—however the military is bound to respect the laws of host countries including any restriction on abortions. Furthermore, U.S. women overseas may continue, as they have for years, to go to Germany and use facilities that are just as safe as anywhere in the United States. The DeLauro amendment would strike this provision in the bill despite the fact that military doctors want nothing to do with aiding the destruction of unborn children and that the majority of the American people do not want their tax dollars to subsidize abortion either directly or indirectly. I urge my colleagues to reject the DeLauro amendment and support this Dornan provision included in H.R. 1530.

Ms. DELAURO. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Texas [Ms. JACKSON-LEE].

(Ms. JACKSON-LEE asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE. Mr. Chairman, let me offer my unanimous consent in support of the DeLauro-Schroeder amendment to keep freedom among our American men and women in the military and to support the right of life of women.

Mr. Chairman, President Clinton had made a positive move in affirming the importance of women's health when he lifted the Department of Defense ban that prohibited women from obtaining abortion services at military facilities overseas, even if paid for with their own private funds. Today, the Republican majority of the National Security Committee believe the ban should be reinstated. This would be a tragedy.

I rise in support of the DeLauro amendment to H.R. 1530 that would strike this provision from the bill. A woman's right to choose is constitutionally protected, and such protection is still guaranteed for U.S. citizens who are serving their country on foreign soil. The issue at hand is not about who will pay for the abortion, or whether or not it is constitutionally right, but if women who serve overseas will have access to good medical care.

Getting a safe, legal abortion in the United States is relatively simple. However, living in a foreign nation where abortion is illegal or the blood supply may be unsafe creates a considerable burden for a woman seeking sensitive medical attention—attention that could be safely administered in a U.S. military facility. It would be of no advantage to our military forces for their female service members to be exposed to medical conditions that pose a substantial risk of infection, illness, or even death.

As a recent New York Times editorial proclaimed, by including this language in the bill, the National Security Committee is sending a clear message to America's military women: "They can fight for their country. They can die for their country. But they cannot get access to a full range of medical services when their country stations them overseas."

I urge my colleagues to oppose the committee's language by voting in favor of the DeLauro amendment.

Ms. DELAURO. Mr. Chairman, I yield such time as he may consume to the gentleman from California.

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

Mr. FARR. Mr. Chairman, I rise in support of the amendment.

Ms. DELAURO. Mr. Chairman, I yield 1 minute to the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Chairman, I rise in support of the DeLauro-Harman-Torkildsen amendment, which upholds current military policy to permit American troops and dependents stationed overseas to obtain privately funded abortion services in military facilities.

We should not look at this as a pro-choice or pro-life issue. It is really a discrimination issue. Abortion is legal in the United States, and servicewomen serving the United States at a base overseas should not be denied safe reproductive health services.

As my colleagues have pointed out, we are talking about privately funded abortions. Servicewomen and their dependents use their own money to obtain an abortion. No Federal funds are involved. Furthermore, and this is just to correct something that has been said a couple of times here, medical personnel have the option to opt out and not participate in an abortion procedure.

Servicewomen and their dependents deserve to know they will have access when they are overseas to safe reproductive health service. A woman's health should not be jeopardized because she is serving the U.S. military in a country where medical facilities are inadequate or an abortion is illegal. This Congress has made great strides to get government out of people's lives. We should not take a step back. I urge a ''yes'' vote on the amendment.

Mr. DORNAN. Mr. Chairman, I yield 2¼ minutes to the gentleman from New Jersey [Mr. SMITH], one of our great pro-life leaders in the House.

Mr. SMITH of New Jersey. Mr. Chairman, the largely untold story concerning Mr. Clinton's unethical order of January 22, 1993, to turn DOD health care facilities into abortion mills is that military obstetricians, nurses, and anesthesiologists around the world adamantly refused—and continue to refuse—to comply with the death order.

In so doing, these men and women in uniform from Europe to the Pacific have demonstrated to use all that they are healers first and always, and that they regard it as inconsistent and schizophrenic with the role of healers to be butchers of innocent children.

Because of their deep convictions and reverence for human life, no one will ever say of them, when the injustice of permissive abortion is finally exposed, that they were just following orders.

The military doctors' steadfast refusal to inject children with hypodermic needle dripping with poisons or to dismember unborn babies with razor tipped knives hooked up to suction machines, only underscores how seriously these physicians regard the value, dignity, and integrity of each and every human life.

These medical people are healers. They are defenders of vulnerable kids who have been put at risk by the abortion culture. They recognize that the highest calling of their profession is to protect, nurture, safeguard all of their patients, including unborn babies.

In like manner, under the Dornan language, DOD hospitals and health care facilities, will once again be institutions exclusively dedicated to healing.

Unless you construe an unborn child to be a tumor or cyst—and pregnancy itself a disease—abortion on demand as authorized by the DeLauro amendment has no place at these facilities.

With each passing day, Mr. Chairman, more Americans are peeling away the myths and euphemisms that cloak and sanitize abortion and are instead recognizing that abortion is child abuse.

The coverup of abortion methods is over.

Today, hearings began in the Judiciary Committee on outlawing the gruesome partial birth abortion. In this method the abortionist delivers most of the baby's body, however, the skull is cut while still inside the woman, and the brain sucked out.

Here's how Dr. Martin Haskell, who boasts of having performed over 700 partial birth abortions, described the procedure at a National Abortion Federation seminar on second trimester abortion:

The surgical assistant places an ultrasound probe on the patient's abdomen and scans the fetus, locating the lower extremities. This scan provides the surgeon information about the orientation of the fetus and approximate location of the lower extremities. The tranducer is then held in position over the lower extremities.

The surgeon introduces a large grasping forcep, such as a Bierer or Hern, through the vaginal and cervical canals into the corpus of the uterus. Based upon his knowledge of fetal orientation, he moves the tip of the instrument carefully towards the fetal lower extremities. When the instrument appears on the sonogram screen, the surgeon is able to open and close its jaws to firmly and reliably grasp a lower extremity. The surgeon than applies firm traction to the instrument causing a version of the fetus (if necessary) and pulls the extremity into the vagina.

By observing the movement of the lower extremity and version of the fetus on the ultrasound screen, the surgeon is assured that his instrument has not inappropriately grasped a maternal structure.

With a lower extremity in the vagina, the surgeon uses his fingers to deliver the opposite lower extremity, then the torso, the shoulders and the upper extremities.

The skull lodges at the internal cervical os. Usually there is not enough dilation for it to pass through. The fetus is oriented dorsum or spine up.

At this point, the right-handed surgeon slides the fingers of the left hand along the back of the fetus and ''hooks'' the shoulders of the fetus with the index and ring fingers (palm down). Next he slides the tip of the middle finger along the spine towards the skull while applying traction to the shoulders and lower extremities. The middle finger lifts and pushes the anterior cervical lip out of the way.

While maintaining this tension, lifting the cervix and applying traction to the shoulders with the fingers of the left hand, the surgeon takes a pair of blunt curved Metzenbaum scissors in the right hand. He carefully advances the tip, curved down, along the spine and under his middle finger until he feels it contact the base of the skull under the tip of his middle finger.

Reassessing proper placement of the closed scissors tip and safe elevation of the cervix, the surgeon then forces the scissors into the base of the skull or into the foramen magnum. Having safely entered the skull, he spreads the scissors to enlarge the opening.

The surgeon removes the scissors and introduces a suction catheter into this hole and evacuates the skull contents.

The coverup of the methods of abortion is over.

As included in the bill, Mr. DORNAN's language honors these doctors and their profession and above all, safeguards both patients—mother and child—from the exploitation of abortion on demand. By reinstating the Reagan-Bush policy of prohibiting the use of DOD facilities for abortion on demand, this Congress can save precious lives—always a laudable goal. The DeLauro amendment guts the Dornan language and will allow Mr. Clinton to force DOD facilities to get involved in the grisly abortion business.

Reject the DeLauro amendment.

Ms. DELAURO. Mr. Chairman, I yield 1½ minutes to the gentlewoman from California [Ms. HARMAN], a cosponsor of the amendment.

(Ms. HARMAN asked and was given permission to revise and extend her remarks.)

Ms. HARMAN. Mr. Chairman, I thank the gentlewoman and salute her.

Mr. Chairman, denying servicewomen the right to choose has no place in the defense authorization bill. During subcommittee and full committee markups, I repeatedly urged my colleagues not to include divisive social issues. Regrettably, a majority of the committee voted to repeal current policy and ban all privately funded abortions performed in military hospitals overseas. So now every woman on the committee, Democrat and Republican, rises today in support of striking this punitive and unconstitutional provision.

This is a matter of fairness. Servicewomen and military dependents stationed abroad do not expect special treatment, only the right to receive the same services guaranteed to American women by Roe versus Wade, at their own expense, that are available in this country. Under current policy, no Federal funds are used, and health care professionals who are opposed to performing abortions as a matter of conscience or moral principle are not required to do so.

Today's vote is part of a larger agenda to roll back a woman's right to choose. This agenda hurts military women overseas, and I urge my colleagues to depoliticize this issue and vote for equitable rights and health services for military women and military dependents serving patriotically overseas.

□ 1245

Mr. DORNAN. Mr. Chairman, I yield 1 minute to the gentleman from Florida, Mr. CLIFF STEARNS, another great pro-life leader and an Air Force officer.

Mr. STEARNS. Mr. Chairman, I thank the gentleman from California for yielding time to me.

Mr. Chairman, I rise in support of the language offered by the gentleman

from California [Mr. DORNAN], and strongly object to the language offered by the gentlewoman from Connecticut [Ms. DELAURO].

I might point out to her and others that this identical vote occurred in the Committee on National Security on May 24, and the existing language was overwhelmingly accepted. Both Democrats and Republicans supported it, mostly Republicans supported it, except for three. In a showdown on the committee, the Dornan language was overwhelmingly supported. I think it should be supported on the House floor.

Let me say, Mr. Chairman, abortion in a tax-supported hospital is the question, nothing else. Also, when we talk about the military, there is a propensity for a professional and ethical climate. We should not allow this amendment to win. Only a scant few military physicians want to perform abortions, so we should keep that in mind. Let us vote with the military today, and vote against the amendment of the gentlewoman from Connecticut.

Ms. DELAURO. Mr. Chairman, I proudly, in the bipartisan spirit of this bill, yield 1 minute to the gentlewoman from Maryland [Mrs. MORELLA].

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

Mrs. MORELLA. Mr. Chairman, I thank the gentlewoman for yielding time to me, and for introducing this amendment, which I strongly support.

Mr. Chairman, I rise in strong support of the DeLauro amendment, which would maintain the current policy guaranteeing that women serving in our Armed Forces can exercise their full range of constitutionally protected rights.

This amendment is not about using U.S. taxpayer dollars to finance abortion. Rather, it is an effort to assure that servicewomen based in Saudi Arabia or Guatemala, or other countries that do not allow abortion, will be able to access the medical facilities which we provide for them to attend to their own medical needs as they see fit. Even if women are serving in developing countries where abortion is legal, they are not likely to find the same high standards of cleanliness, safety, and medical expertise available at a U.S. facility.

The DeLauro amendment would simply allow servicewomen to obtain the same range of health services at those facilities that they can now obtain at home. This is not a complicated issue. The amendment would assure that women of our Armed Forces that they need not sacrifice their constitutional rights in order to serve their country. It would also assure our military men that their spouses would retain their full rights.

I urge members to support the DeLauro amendment.

Mr. DORNAN. Mr. Chairman, I yield 1 minute to the gentleman from Maryland, Mr. ROSCOE BARTLETT, one of the scientists who serves in the House, and another pro-life leader.

(Mr. BARTLETT of Maryland asked and was given permission to revise and extend his remarks.)

Mr. BARTLETT of Maryland. Mr. Chairman, H.R. 1530 contains language that returns us to the policy that stood during the Reagan and Bush years that prohibited abortions from being performed on military hospitals. Today's amendment would codify in law the radical change to this policy by the Clinton administration.

Mr. Chairman, it boggles my mind that we are even here today debating such an amendment. The purpose of our military hospitals is to save lives not to take them. Most military doctors believe this so strongly that it is next to impossible to find a military doctor who will perform an abortion. But to get around this policy, the pro-abortion forces are attempting to bring civilians onto military facilities, who they will pay large sums of money, to perform abortions. Most members of the military medical corps are so outraged by this procedure that they do not feel comfortable being on the same base where abortions are being performed.

Let us save innocent life, not take it. Let us abort the DeLauro amendment.

Ms. DELAURO. Mr. Chairman, I yield 1 minute to the gentleman from Kentucky [Mr. WARD] who is a cosponsor of the legislation.

Mr. WARD. Mr. Chairman, I rise to speak in favor of this amendment. Women who serve our country in the military overseas should have the same rights as women who serve in this country. To deny abortion services to these women which they pay for themselves is discrimination. Women would be left with no alternative, and, in a desperate situation, could risk their health and maybe their lives by seeking to terminate their pregnancy any way they can.

Mr. Chairman, an administrative ban is all that existed from 1988 to 1993. Before 1988, Defense Department policy allowed privately funded abortions, no Federal funds used, proffered for them to be available for women in the military overseas, in accordance with the law of the land as set forth in the Roe versus Wade decision of the Supreme Court.

Mr. Chairman, this is an issue of providing health care services for women who are doing their duty and serving their country.

Mr. DORNAN. Mr. Chairman, I yield such time as he may consume to the gentleman from Kentucky [Mr. BUNNING], the father of a full baseball team who is closing on 30 grandchildren.

(Mr. BUNNING of Kentucky asked and was given permission to revise and extend his remarks.)

Mr. BUNNING of Kentucky. Mr. Chairman, I rise in the strongest possible opposition to the DeLauro amendment to H.R. 1530, the Department of Defense authorization bill.

By seeking to force U.S. military hospitals to perform abortions, the Clinton administration is in my view promoting elective abortions contrary to the Hyde amendment policy and Federal law.

Under Supreme Court precedent, public hospitals can choose to deny to perform elective abortions regardless of whether these abortions would be paid for with public or private funds.

But the DeLauro amendment would mandate that Government-run military hospitals have to perform this awful procedure. Period. They would have no choice in the matter.

It does not make sense to me to have one set of policies for our civilian hospitals and another for the medical installations on our military bases.

Proponents of the DeLauro amendment rely on the argument that under this proposal abortions would not be paid for with public funds. But I have to disagree with this.

These abortions would be performed on taxpayer-supported bases in taxpayer-supported medical facilities.

The DeLauro amendment might claim that these abortions would be paid for with private funds. But the inescapable fact is that whether one talks about the funds that pay the hospital utility bills or for leased land that the base occupies, taxpayer dollars do support facilities that would carry out these abortions.

This contradicts the clear, strict language of the Hyde amendment that says that no Federal dollars can be used for abortion. It's that simple.

The other side on this issue tries to get around the Hyde amendment policy with their proposal. But the fact of the matter is that no matter how hard they try, they cannot.

Mr. Chairman, section 732 of the base bill that the DeLauro amendment purports to strike is nothing new. It is simply a restoration of the pro-life policies that we had under Presidents Bush and Reagan.

It was wrongly overturned by Executive order by President Clinton, and I staunchly believe that it is time now for Congress to assert its prerogative and reinstitute the Reagan-Bush policy.

I urge my colleagues to vote against the DeLauro amendment. We should not have elective abortions in America, and we certainly should not permit them on our overseas bases. This is one thing we certainly do not need to export from America.

The National Security Committee easily defeated this amendment, and for 12 of the last 15 years our national policy has argued the exact opposite position. Now it is time to defeat the DeLauro amendment and eliminate the outrage of elective abortion from our military bases.

Mr. Chairman, I urge all of my colleagues to vote against this disturbing amendment.

Mr. DORNAN. Mr. Chairman, I happily yield 2 minutes to the distinguished gentleman from Kentucky, Mr. RON LEWIS, a member of my Subcommittee on Military Construction.

Mr. LEWIS of Kentucky. Mr. Chairman, I rise today in opposition to the DeLauro amendment, which would keep the military in the business of sanctioning the taking of innocent life.

Under the Reagan and Bush administrations, the U.S. military's fine medical personnel stationed overseas did not double as abortionists.

When Bill Clinton became President, that commonsense and family-friendly

policy was canceled by Executive order.

So much for making abortions rare.

Mr. Chairman, I believe with all my heart that abortion is wrong in every sense—unless the mother's life is threatened by her pregnancy.

A Navy commander who heads a surgical department said recently that he could not oversee an operating room that delivered babies in one room and killed them in the next.

Mr. Chairman, we should not put military doctors, who sacrifice many productive and lucrative years to serve our country, in this position.

Abortion is one of the issues that divide this Nation the most. People on both sides feel passionately about their position.

But I believe it is wrong and destructive to use the military as a wedge to divide the country further.

The fact is, our doctors and staff are overworked now, and their facilities overcrowded.

Military medical personnel are there to keep soldiers, sailors, airmen, and marines—and their families—alive and well.

They did not join the military to advance a liberal social agenda.

Mr. Chairman, the President's Executive order was wrong—and we have a chance to correct his mistake.

The military sometimes has to take a life in the defense of our country.

They should not have to take the life of an innocent baby.

I urge my colleagues to vote ''no'' on the DeLauro amendment.

Ms. DELAURO. Mr. Chairman, I yield such time as she may consume to the gentlewoman from California [Ms. PELOSI].

(Ms. PELOSI asked and was given permission to revise and extend her remarks.)

Ms. PELOSI. Mr. Chairman, I rise in support of the DeLauro amendment. I commend the gentlewoman for offering it and urge our colleagues to support it.

Mr. Chairman, I rise to add my voice to those in support of the DeLauro amendment to the Defense Authorization Act, to strike a provision which is a clear threat to the health of women military personnel and their families, as well as a threat to the constitutional rights of all American women.

Women stationed overseas in service to their country depend on base hospitals for medical care. These women are citizens ready and willing to sacrifice their lives for their country. Under the bill as it currently stands, however, these women are treated as second class citizens. Under this bill, these brave women would be denied access to safe medical care. These women are expected to serve without being served.

The issue here is not taxpayer funding. Women in the military currently must use their own funds to obtain abortion services at military hospitals.

The issue here is not forcing medical providers to perform abortion services. The DeLauro amendment maintains the conscience clauses already in effect.

The restrictive language in the defense authorization bill is obvious in its intent to deny women the right to choose. I urge my colleagues to have concern for the needs and safety of American women serving abroad and to support the DeLauro amendment striking the provision.

Ms. DELAURO. Mr. Chairman, again in the spirit of bipartisanship on this amendment, I yield 1 minute and 10 seconds, with pleasure, to the gentlewoman from New York [Ms. MOLINARI].

Ms. MOLINARI. Mr. Chairman, I rise today in strong support of the DeLauro amendment and the women who serve this country so diligently in the military. As James Madison once said, ''Equal laws protecting equal rights (are) the best guarantee of loyalty and love of country.'' This amendment before us today is about equal protection under the law for all American women serving this great country.

When American women volunteered to risk their lives in order to protect our country, they did not volunteer to give up their rights, or their family's rights, to access adequate medical services and medical services available under law in our country. Many countries hosting U.S. military personnel simply do not provide the same level of health care services which make it necessary for our men and women to use military medical facilities.

By singling out abortion services and making it a crime to use your own money to pay for these services, women will undoubtedly be placed in great medical danger. If a woman serving overseas makes a personal choice to have an abortion, which is her legal right as an American citizen, she will risk an unsafe or illegal procedure.

I urge my colleagues to vote in favor of this amendment and for freedom and fairness to our military women.

Mr. DORNAN. Mr. Chairman, I yield such time as he may consume to the gentleman from Missouri, Mr. HAROLD VOLKMER, another outstanding pro-life leader in this Chamber on the Democratic side.

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

Mr. VOLKMER. Mr. Chairman, I rise in strong support for the life of the unborn, and in strong opposition to the amendment offered by the gentlewoman from Connecticut [Ms. DELAURO].

Mr. DORNAN. Mr. Chairman, it gives me great pleasure to yield 2 minutes to the entire delegation of the State of Wyoming, Mrs. BARBARA CUBIN, a hard charging Member and another great pro-lifer.

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

Mrs. CUBIN. Mr. Chairman, any women who has conceived a child, carried the child for 9 months, and then given birth to that child knows that life does begin at conception. Human life begins at conception.

I have heard it said several times over and over and over here today that a woman has a right to have an abortion. The fact is the Supreme Court declared that it was not unconstitutional to get an abortion, but it did not make abortion a right for anyone to have, although we know that everyone ought to have the right to live.

Federal funding for abortions and allowing abortions to be performed on U.S. military bases is just as wrong as taking the life of a small child. We depend upon the military might of this country to protect all its citizens, not just those who make it through the first 9 months of their life. We use the Armed Forces to protect the innocent, to protect the weak and the defenseless. Does that describe anyone that I have been talking about? That means children, Mr. Chairman. The military is there to protect the defenseless and the young from life to the grave.

We are also being asked to condone the taking of an unborn child's life on a U.S. military base, the very bases from which we are supposed to defend the lives of all Americans. That does not make much sense to me.

Mr. Chairman, as a matter of fact, the taking of an unborn child's life is totally senseless. When we consider that only 5 percent of the pregnancies that occur are a result of rape, incest, or failed birth control, that means people need to make responsible decisions about preventing pregnancies if they do not want to have a child. Mr. Chairman, I will vote ''no'' on this amendment, and I hope the rest of my colleagues will, too.

Ms. DELAURO. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. NADLER].

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

Mr. NADLER. Mr. Chairman, without this amendment, the bill would prohibit abortions at Defense Department medical facilities abroad, even though no public moneys would be used to fund such abortions. It would deny American servicewomen the same constitutional rights, the same medical services available to women in the United States. The ignorant and incorrect statement of the preceding speaker notwithstanding, the Surpreme Court has declared the right to abortion a fundamental constitutional right.

Mr. Chairman, remember, we are not talking here of taxpayers' funds. The servicewomen would pay for their own abortions. No doctors would be forced to perform abortions. The conscientious clause remains. This bill is an assault. It is discrimination against our Nation's servicewomen abroad, not only because we would deny them a right they are entitled to on American soil, but because we would force them to risk their lives in often substandard foreign medical facilities if they wish to exercise their constitutionally guaranteed right to choose.

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This attack on American women must not be allowed to stand. I urge

my colleagues to join me in supporting this crucial amendment.

Mr. DORNAN. Mr. Chairman, I yield myself 15 seconds.

Hold the fire on the word ''ignorant,'' folks. He says it was ignorant. Well, I think it is ignorant to use the word ''ignorant'' on this House floor.

I have a wife watching, three grown daughters who are all mothers, and folks, more than 50 percent of this country is female and they respect and treasure the sacred, precious life in their womb. This is assault-on-women garbage.

Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. HOSTETTLER], a member of my committee, one of the best new Members of this House.

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

Mr. HOSTETTLER. Mr. Chairman, I rise in strong opposition to the DeLauro amendment. Mr. Chairman, we who serve on the National Security Committee have placed limits on the use of U.S. military facilities to make it clear those facilities should not be used to provide abortions.

Those who oppose these limits argue that their position is simply a matter of fairness.

Despite my questioning whether we can have any discussion of fairness without including the preborn, and despite my profound disagreement with the Supreme Court's reasoning in the Roe versus Wade decision, I want to concentrate on what I see as the real issue at hand.

The Supreme Court has told us that we have to allow the killings of preborn children. It has not, however, told us that government has an obligation to provide this service. The DeLauro amendment, I believe, obligates the United States to make sure abortion services and facilities are available at U.S. military bases.

There are many reasons why we should not obligate the military to provide facilities and services for abortion. For example, despite the assurances from the other side, I believe it is hard to argue there is no subsidy of abortion by U.S. taxpayers in this case. I believe there is a subsidy, though it may be indirect, because everything in our military medical systems is taxpayer-funded—from the doctor's education and availability, to the electricity powering the facility's equipment to the very building itself.

In addition, abortion—while declared legal by the Supreme Court—remains a very divisive practice, and allowing abortions to be performed on military installations would bring that discord and dissension right onto our military bases, complete with pickets and the like.

Some would also argue that it is especially offensive to make the military—an institution dedicated to preserving innocent life by deterring aggression—the provider of a procedure that ends innocent life.

While it is offensive, I see the true issue here to be whether Government has an obligation to provide a right declared by the Supreme Court to be embedded in the Constitution. I think not. In addition, Congress has the clear responsibility and right, as outlined in article 1, section 8, to provide for the rules and regulations of the military.

But I think this general principle is true beyond the unique circumstances of the military. The freedom of the press guaranteed by the first amendment, for example, does not obligate the Federal Government to provide every interested American with a printing press. Pushing this notion further, I ask, should we allow military facilities to be used for prostitution where it is otherwise legal, such as Nevada or Thailand? I think not.

It should not be the policy of the U.S. military to use those facilities to destroy an innocent preborn life.

For this reason, Mr. Chairman, I will vote against the DeLauro amendment, and urge all my colleagues to also vote against it.

Ms. DELAURO. Mr. Chairman, I yield such times as she may consume to the gentlewoman from the District of Columbia [Ms. NORTON].

(Ms. NORTON asked and was given permission to revise and extend her remarks.)

Ms. NORTON. Mr. Chairman, I rise in strong support of the DeLauro amendment.

Mr. Chairman I rise in strong support of the DeLauro Amendment to the defense authorization bill.

One of the great landmarks in freedom for American women came when they won the right for reproductive choice. It is hard to think of a right more important, and it is unthinkable that an American women would have that right as a civilian, but lose it in the service of her country.

There has been a great deal of misrepresentation regarding this amendment. Let me take a moment to explain the truth about what this amendment does not do. With the DeLauro amendment only the current law would be retained, nothing new would occur. No taxpayer money would be used to perform abortions, only the private funds of individual women exercising their constitutional right. No military medical personnel would be forced to perform an abortion. The conscience clause that is currently in effect would be retained. Any person who feels unable or unwilling to perform an abortion would not be required to do so.

What this amendment does do, however, is to allow servicewomen to maintain their rights abroad while fighting to retain our rights here at home. It is crucial that as these brave women serve our country, they are allowed access to the identical safe health care that the Supreme Court has decided is a right of all American women.

Therefore, I urge my colleagues to vote in favor of the DeLauro amendment.

Ms. DELAURO. Mr. Chairman, I yield 45 seconds to the gentlewoman from Florida [Mrs. FOWLER], my colleague on the Committee on National Security.

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

Mrs. FOWLER. Mr. Chairman, I rise in support of the DeLauro amendment.

I see this as a simple matter of fairness. The women who proudly serve in the U.S. military overseas, and the dependents of U.S. military men overseas, should have access to the same quality of services that are legally available in the United States. The DeLauro amendment ensures this without causing taxpayer funds to be spent for any abortion procedure, and without requiring any health care worker who conscientiously objects to such a procedure from being compelled to participate.

Some would contend that taxpayers are footing the bill just the same because hospital utilities, administrative overhead, and the like would still be financed by the taxpayer. I believe this is a specious argument: If this is the new interpretation of the law, then any hospital in the United States that receives Medicaid or Medicare payments should be held equally accountable and forbidden from providing such services. I would contend that is wholly unenforceable and inappropriate position.

I urge my colleagues to support the DeLauro amendment and restore fairness to those who are serving our Nation overseas.

Mr. DORNAN. Mr. Chairman, I yield 1 minute to the best aviator and pilot in either Chamber, in the House of Representatives, and it hurts for me to say that, the Navy Commander, DUKE CUNNINGHAM of California.

Mr. CUNNINGHAM. Mr. Chairman, if you wanted a liposuction or a tummy tuck or a nose job, and you were in the military, even if you paid for it yourself, you should not be allowed to do that at a military base under taxpayer dollars.

The nonavailability letter, we have retirees that live in Mexico, and just like a civilian or military retiree, if you are overseas, all you do is get a letter of nonavailability. No rights are taken away from you, and you have the same rights as you are protected under in this country as well. In emergency situations that is taken care of and provided, especially if it is in case of a life of a mother.

But where taxpayer dollars are involved in this kind of thing, we don't ask you to support our side. You should not be asking other people to pay their taxpayer dollars that don't support your agenda. I ask a ''no'' vote on the DeLauro amendment.

Ms. DELAURO. The gentleman knows that there are no taxpayer dollars involved in this effort.

Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. ENGEL].

Mr. ENGEL. Mr. Chairman, I thank the gentlewoman for yielding me the time.

Mr. Chairman, this is a very sensitive debate. I respect the positions of people on both sides. But I would say to the

people who oppose the DeLauro amendment, please stop trying to impose your morals on everyone else.

All we are saying is that each woman should be allowed to decide for herself. If she does not want to have an abortion, she does not have to have one. If she wants to have an abortion, then she ought to be entitled to the same things that all other American women are entitled to, that is, the right to choose.

Lipsosuction, tummy tuck, a nose job? Give me a break. How can you compare that, in all seriousness, to abortion?

People ought to have the right to choose. Let them make the decisions for themselves. No public money is being used. No taxpayer dollars are being used. Give women in the military the same choice as other women.

The people who talk about killing, have they ever voted for the death penalty? Let's stop the hypocrisy and let people have the right to choose for themselves.

Mr. DORNAN. Mr. Chairman, I yield 15 seconds to the gentleman from New Jersey [Mr. SMITH] for a response.

Mr. SMITH of New Jersey. Mr. Chairman, I am glad my good friend from New York brought up the death penalty and pointed out that there is killing involved in the taking of human life in abortion. I am one who has voted against the death penalty. I do not believe in it.

I would welcome and invite the gentleman and others who believe as he does to recognize that when chemical poisons and when dismemberment occurs on an unborn child, that is killing. We do not want to facilitate it. That is what this amendment is all about. This facilitates the killing of those babies.

Ms. DELAURO. Mr. Chairman, I yield 1 minute to the gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY. Mr. Chairman, I rise in strong support of this amendment. Let's be very clear. This amendment does not commit the use of Federal funds for abortion. It simply allows American servicewomen to use their own money to pay for abortion services at military bases abroad.

This amendment is critical to preserving the basic rights of American servicewomen. The bill before us penalizes women who have volunteered to serve their country by prohibiting them from exercising their constitutionally guaranteed right to choose. This Congress should not limit the constitutional rights of the brave women who are serving our Nation.

The bill also puts the health and lives of our servicewomen at risk. It says to a 19-year-old American woman who has been raped, if you become pregnant, go back to the back alley, go back to that back alley in some foreign country for an unsafe, illegal abortion. It tells our brave servicewomen that in your hour of greatest need, your own country will abandon you.

I urge Members to vote for the DeLauro amendment.

Mr. DORNAN. Mr. Chairman, I yield 1 minute to the gentleman from California, DUNCAN HUNTER, a Congressman, Army officer, and another great pro-lifer in this House.

Mr. HUNTER. Mr. Chairman, unlike my own colleague, DUKE CUNNINGHAM, I was no hero in service to my country and did nothing special, but I think all of us served under an ideal, and that ideal was best articulated by Gen. Douglas MacArthur speaking before this Chamber and before the U.S. Army graduates at West Point when he talked about duty, honor, and country. He said that the American soldier had a reputation for having a character which was honest, and he used another word, stainless.

It seems to me, Mr. Chairman, that when we ask our medical people in the military to do something that is highly unusual with respect to their charter as military officers, we ask them to take two very healthy people who come into a hospital, a mother and a child, totally healthy when they come in, and they leave, one as a wounded person as a result of deliberate medical procedure, and the other person leaves without their life, that is a misuse of the American military.

Ms. DELAURO. Mr. Chairman, I yield 1 minute to the gentlewoman from Oregon [Ms. FURSE].

Ms. FURSE. Mr. Chairman, women in the military deserve the same civil rights as all American women, and they deserve the same civil rights as all servicemen. All medical treatment is available for servicemen at military facilities. Our military women should not have to risk their health nor their civil rights when they serve this country. I urge Members to vote ''yes'' to the DeLauro amendment.

Ms. DELAURO. Mr. Chairman, I yield 30 seconds to the gentlewoman from California [Ms. WOOLSEY].

(Ms. WOOLSEY asked and was given permission to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Chairman, I rise in strong support of the DeLauro amendment to H.R. 1530. H.R. 1530 tramples the rights of military women overseas by denying them their legal right to use their own funds to pay for abortion services.

Mr. Chairman, this body must not condone efforts to take away the legal rights of our female military personnel. The DeLauro amendment only corrects H.R. 1530's glaring violation of the rights of military women by simply preserving DOD's current policy on abortion.

I urge my colleagues to support the rights of our servicewomen and to support the DeLauro amendment.

Ms. DELAURO. Mr. Chairman, I yield 30 seconds to the gentlewoman from Georgia [Ms. MCKINNEY].

Ms. MCKINNEY. Mr. Chairman, it appears that some of my Republican colleagues are suffering from spring fever and can't wait to get their hands on women's bodies. In their rush to implement their neo-victorian social experiment, my colleagues are whittling away at the rights of women and minorities one chip at a time. If we are not careful, women will soon find themselves wearing chastity belts and baking cookies.

Ms. DELAURO. Mr. Chairman, I yield 45 seconds to the gentlewoman from New York [Mrs. MALONEY].

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

Mrs. MALONEY. Mr. Chairman, a large majority of the American people support a woman's right to choose. But the radical right in Congress wants to deny U.S. service people the same freedoms they enjoy in the United States, the freedom to pay out of their own pockets to have an abortion.

Legal or not, American women will exercise their right to choose. Don't force service people and their families into dangerous black market abortions overseas. This is senseless public policy. For the health, safety and freedom of those who serve our country, support the DeLauro amendment.

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Mr. DORNAN. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida [Mr. SCARBOROUGH].

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

Mr. SCARBOROUGH. Mr. Chairman, I rise in opposition to the Delauro amendment.

Ms. DELAURO. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. Mr. Chairman, let me tell Members what this debate is really all about. Some of the most radical leaders in the new Republican majority are determined to end the right to choose for American women, and their first target is women in the military. Today they oppose the right of American women in the military to be treated with the same rights and dignity as every other American woman.

This is patent discrimination against American women who have volunteered to serve their country. While America applauds the courage and achievement of women in the military, the Dornan language treats them as second-class citizens. America's servicewomen are prepared to risk their lives in the service of their country. The antichoice forces now are prepared to ask them to also risk their lives in the legal termination of a pregnancy.

Support the DeLauro amendment and support those strong and courageous Republicans who have joined in support of her effort.

Ms. DELAURO. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Florida [Ms. BROWN].

(Ms. BROWN of Florida asked and was given permission to revise and extend her remarks.)

Ms. BROWN of Florida. Mr. Chairman, I rise in support of the women in the military's right to choice.

Ms. DELAURO. Mr. Chairman, I would ask how much time remains on both sides.

The CHAIRMAN. The gentlewomen from Connecticut [Ms. DELAURO] has 1 minute and 45 seconds, and the gentleman from California [Mr. DORNAN] has 1½ minutes remaining.

Ms. DELAURO. Mr. Chairman, I yield myself 1¾ minutes, the balance of my time.

Mr. Chairman, in closing, what I would like to do is to emphasize that this amendment in fact is not about public funding, it is not about special treatment, it is in fact about preserving the right to choose, a right to choose that American women have in the United States.

And it is about safe health care for American military women who serve this Nation and serve it proudly, who are far from home, and who sacrifice every single day for this country, such as women who served proudly and gallantly in the Persian Gulf. They should be able to expect the Federal Government to protect their liberties, both at home and abroad.

This amendment restores current law. There is not a shred of public funding involved in it, contrary to what my colleagues on the other side would like to portray.

The conscience clause is preserved for all branches of the military so that those health professionals who do not want to perform this procedure do not have to do that. This is very, very simply about maintaining and preserving what is the right of women in this country, and that is the right to choose.

Why are we singling out women who serve this country for discriminating treatment? I urge support for the amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. DORNAN. Mr. Chairman, I yield myself such time as I may consume.

This is not a gender issue. Of my 14 offspring there are 7 of one gender, 7 of another, no confusion in between. This is about Federal taxpayer money. But I think I am willing to concede nobody in this Chamber is going to vote on that issue or should. The lights, the electric, the air-conditioning, the heat in winter, the maintenance of a facility, the pay of the military people who want to be protected from this burden of peer pressure or from a Clinton administration which says we are going to find a way to force this on them.

Mr. Chairman, we do live in a culture of death, and Clinton and his White House team are breathtaking pro-abortion, unlike any of the other preceding Presidents, not even close.

And, Mr. Chairman, one of my friends and colleagues on this side mentioned a Moslem country, the fringe of that country calls us the Great Satan, and this is the first thing they point to. They mentioned a Catholic country, and I think there has been a respectful debate on both sides except for the use of the word ignorant. He is good soul and he is probably sorry he did that. But it is tough when people use constitutional arguments, when I think this is the worst decision since the Dred Scott decision.

My ninth grandchild is one-quarter Jewish, proudly is going to be a baptized, christened on Sunday, and we will glorify his Jewish heritage and keep it in mind. The Nuremberg laws of the late thirties said my grandson Liam could not have served in that government. He was a non-person, and it was all legal under the German Constitution.

Vote ''no'' on the DeLauro amendment. Please support my language.

The CHAIRMAN. All time has expired.

Mr. DELLUMS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I have tried to listen to this entire debate, and tried to listen carefully to Members on both sides of the aisle. I would make several observations.

First, Mr. Chairman, I do not direct this in any sense of anger, but I would caution the Chair that I hope that it does not become a practice in this Chamber that we use the introduction of Members to extend the time. I think that is inappropriate. I think it is not within the confines of good and regular order on the floor of this Congress, and it is very time-consuming. I hope we do not slip down that slippery slope.

Having said that, let me make a couple of other comments.

PARLIAMENTARY INQUIRY

Mr. DELLUMS. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DELLUMS. Mr. Chairman, before I go forward let me propound a parliamentary inquiry so it does not come out of my time.

In introducing Members in this Chamber, is it appropriate to go beyond simply saying the gentlewoman or the gentlepersons from the location and their introduction? I would just like to know that.

The CHAIRMAN. Members should refer to other Members in the third person by State delegation.

Mr. DELLUMS. To proceed, there is one refrain, Mr. Chairman, that I have repeated on this floor, and that is that there ought to be integrity to the process. We all know that there are contentious issues that come to these Chambers, that are contentious issues that can be divisive and they can indeed be emotional. We all understand that.

But that is why we have a very delicate and very fragile and very deliberate legislative process; so that we hold hearings at the subcommittee and the full committee level so that we can deal with unintended consequences. We can try to define the issues as clearly and as precisely as possible so that when we get to the floor, we are indeed debating on the relevant issue that is before us.

Now, to take away a woman in the military's access to the legal procedure of abortion is obviously a contentious issue. I have listened to the debate here. There can be tremendous emotion, even divisiveness. But I would like to point out to my colleague that this provision in this bill that goes beyond current law did not result in 1 second, Mr. Chairman, of hearings at any level. It is a complete distortion of the legislative process.

That is why we are being paid, folks. To be legislators. This provision had no hearings; no opportunity to look into the consequences of this act. So, just on process alone, this provision in this bill should be rejected. We cannot continue to make a mockery of the process.

When we marched through this door the first day of the 104th Congress, there was a commitment to openness, a commitment to fairness, and a commitment to a deliberative process that respected everyone here. I would suggest that this is just one more in a long parade of processes, of measures, that have come to this floor without any deliberation, totally ignoring the nature of our process.

Now, to the substance, Mr. Chairman. I have been an elected official now for almost half of my life. One thing I know about elected officials is we tend to have the most creative minds on the planet Earth. We can work our way around in order to make a statement whether the issue fits that issue or not.

This issue is not an issue about abortion. But if you want to use it as that platform, then all of us have that creative capacity to swing around in midair and find ourselves landing on the issue of abortion.

This is a simple issue of fairness. We salute women in the military; pat them on the back and talk about the great job they do. But if they are overseas they find themselves in a crisis pregnancy, or their dependent, we say you are over there defending the great rights and liberties of America, but they cannot have it overseas. This is not about abortion. It is about whether any human being in this country has equal access to anything any other human being in this country has access to.

And if the issue is safe health care, if the issue is the procedure of abortion, then so be it. Why should a woman in a foreign country find herself caught up in trying to deal with numerous problems and options which may even be a risky, illegal abortion?

So this is about fairness, my colleagues. And I hope that on the basis of fairness and the integrity of the process you will support the DeLauro amendment.

Mr. SPENCE. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. The gentleman from South Carolina is recognized for 5 minutes.

Mr. SPENCE. I yield 5 minutes to the gentleman from California [Mr. DORNAN].

Mr. DORNAN. Mr. Chairman, I say to my good friend, the gentleman from California [Mr. DELLUMS], that the gentleman will not get this opportunity too often out of me. I stand corrected. I stand corrected on the over-friendly, over-florid introductions of some of my speakers.

I have noticed some Members on both sides of the aisle do that. The friendliness is probably pushing comity, pushing the edge of the envelope, and I have been known to do that, as thee have, sir.

But if this means I can never introduce the gentleman again when I yield to him as one of the finest and fiery orators of this House.

Mr. DELLUMS. The gentleman may do that any time.

Mr. DORNAN. With that exception, I stand advised.

I made comment on one Member using the word ''ignorant'' and I was shocked when off microphone he said, it was ignorant. He was referring to a lady in this House, the entire delegation of the great State of Wyoming.

And I think it has been a pretty good debate. I am going to yield back most of this time. I think everybody know this is issue. I wanted to give a lot of our new Members a chance.

This is the first clear-cut, up-or-down issue on what you call choice, what we call it sacred life. And I am going to get tough on this next point, because it is my tribe, my particular denomination.

First, paraphrasing a great American patriot, Is $133,600 a year so dear and life in the Halls of Congress so precious to be bought at the price of loyalty? Or from the Good Book? What does it profit a person to gain the whole world, or a job in Congress or the Senate, and jeopardize their own soul?

I think this is an issue not of fairness, but of confusion, yes, of constitutionality. I pointed out the Nuremberg laws made my ninth grandchild, in the 1930's when I was born, in a great country that has been mentioned in this debate, unable to own property, go to medical school, or run for political office. I hope he runs for political office in this great country.

□ 1330

But we do live in not only a culture of death but an age of confusion, and I have got a caucus rattling around in my head called the ACFA Caucus, Another Catholic for Abortion, people who tell me they know more than Mother Theresa, ''and she ought to get out of our face.''

No, this is a sad issue. It is a confusing issue. It is an issue where people put it on the line and then cannot eat that vote or ever flipflop back, and it is sad. And it is strange friendships. It is too bad.

It is going to be with us forever because it does involve more than taxpayers' dollars. It involves human souls, partial birth abortions, and, by the lowest estimate of a liberal, proabortion group, the Guttmacher Institute of New York, there are at least 1 or 2 percent of the million and a half abortions in this country that are performed in the 7th, 8th, and 9th month, when that little baby in a car crash, when the mother is taken back to God, is viable and often lives.

That means every 2 years a Vietnam wall of deaths is recorded of viable babies who are beyond the fetus stage because they can survive outside their independent mother's life forces, and sometimes with the mother used as an extended placenta because she is brain-dead, and she is on an air machine, an oxygen machine, a heart machine, and in San Francisco one baby surviving like that is now 4½ years old, a little boy who lived over 68 days with his mother's dead body keeping alive his life force and his soul.

So we all know how we are going to vote, I think. Next time, I hope we have more new Members vote.

Mrs. COLLINS of Illinois. Mr. Chairman, I rise in strong support of the amendment being offered today by my colleague, Representative ROSA DELAURO. Her amendment would correct a grave inequity that is currently contained in H.R. 1530, the National Defense Authorization Act of fiscal year 1996.

H.R. 1530 singles out women who serve in the military overseas for a specific, unfair restriction. It prohibits overseas Department of Defense military facilities from providing privately funded abortions. The DeLauro amendment would eliminate this prohibition.

Mr. Chairman, American women have the right to obtain abortions in this country. So why shouldn't American military women who are serving this country overseas have this same right? Especially if they pay for the abortion with their own money? It is grossly unfair and unjustifiable.

Without the DeLauro amendment, H.R. 1530 will drive women into desperate situations in which they may have to seek abortions from unsafe or unsanitary hospitals in foreign countries. Clearly, a pregnant woman is the one and only person who knows what is best for her, and she, in consultation with her family, doctor, and/or clergy, is the one who should make the decision affecting her body, her health, and her life.

I strongly support the DeLauro amendment and urge my colleagues to do the same.

Mr. PACKARD. Mr. Chairman, I rise in opposition to Congresswoman DELAURO's amendment to the defense authorization bill which would nullify requiring the immediate discharge of HIV-positive personnel and banning abortions in military hospitals overseas.

Contrary to the arguments presented by the other side of the aisle, discharging servicemembers who have contracted the HIV–1 virus is not punitive nor discriminatory. The fact is, retaining HIV-positive personnel degrades unit readiness and creates a class of individuals who are unable to deploy if their units are called upon. Those infected often require reassignment and continued restrictions on future assignments because of health related concerns and their inability to serve in combat units. In addition, the military regards all personnel as potential blood donors. Since HIV-infected personnel may not give blood, they detract from available resources.

The opposition has also resorted to scare tactics on abortion. The issue at hand is abortion in facilities funded by the taxpayer. Servicewomen and military dependents will now be asked to utilize private facilities to obtain abortions overseas except in the instances of rape, incest, and the life of the mother. Women will not be forced to seek illegal, or unsafe procedures as propagated by the other side of the aisle.

However, American taxpayers should not be forced to subsidize clinics performing this practice when many of those taxpayers find this procedure abhorrent.

I urge my colleagues to not support the DeLauro amendment.

Ms. BROWN of Florida. Mr. Chairman, today women serve proudly in our military forces. They are often the best and the brightest in the classroom and excel in all aspects of military life. Women have served side by side with men in combat throughout our history; women in the military deserve to be treated with the highest respect.

As the House considers the fiscal year 1996 National Defense Authorization Act, I believe it is imperative that we aim for high morale and outstanding quality of life for our service personnel. A key component of such a goal must be to provide the very best health care for all men and women who serve our country. Therefore, without hesitation, I strongly support this amendment.

In many countries where our military forces are called upon to serve, women who make the difficult choice to have an abortion are unable to obtain a safe abortion locally. Without this health protection, a woman may be forced to face a local hospital in a foreign country where English may not be spoken and the culture is very different. There, in a lonely waiting room, she will wait until her turn comes to give her life over to strangers and hope for the best outcome. A civilized country such as the United States must not allow such a terrifying and degrading experience for any of its citizens.

Mr. SPENCE. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Connecticut [Ms. DELAURO].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Ms. DELAURO. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 196, noes 230, not voting 8, as follows:

[Roll No. 382]

AYES—196

Abercrombie	Bishop	Cardin
Ackerman	Boehlert	Castle
Baesler	Bonior	Clay
Baldacci	Bono	Clayton
Barrett (WI)	Boucher	Clement
Bass	Brewster	Clyburn
Becerra	Brown (CA)	Coleman
Beilenson	Brown (FL)	Collins (IL)
Bentsen	Brown (OH)	Collins (MI)
Berman	Bryant (TX)	Condit

Conyers
Coyne
Cramer
Danner
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Dunn
Durbin
Edwards
Ehrlich
Engel
Eshoo
Evans
Farr
Fattah
Fawell
Fazio
Fields (LA)
Filner
Foglietta
Foley
Ford
Fowler
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gilchrest
Gilman
Gonzalez
Gordon
Green
Greenwood
Gunderson
Gutierrez
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Horn
Houghton
Hoyer
Jackson-Lee
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnston
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Klug
Kolbe
Lantos
Levin
Lewis (GA)
Lincoln
Lofgren
Longley
Lowey
Luther
Maloney
Markey
Martinez
Martini
Matsui
McCarthy
McDermott
McHale
McHugh
McInnis
McKinney
Meehan
Meek
Menendez
Meyers
Mfume
Miller (CA)
Miller (FL)
Mineta
Minge
Mink
Molinari
Moran
Morella
Nadler
Obey
Olver
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Pickett
Pomeroy
Porter
Pryce
Ramstad
Rangel
Reed
Reynolds
Richardson
Rivers
Rose
Roukema
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schiff
Schroeder
Schumer
Scott
Serrano
Shaw
Shays
Sisisky
Skaggs
Slaughter
Spratt
Stark
Stokes
Studds
Tanner
Thompson
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Ward
Waters
Watt (NC)
Waxman
White
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Zeliff
Zimmer

NOES—230

Allard
Archer
Armey
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bereuter
Bevill
Bilbray
Bilirakis
Bliley
Blute
Boehner
Bonilla
Borski
Browder
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Costello
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
de la Garza
Deal
DeLay
Diaz-Balart
Doolittle
Dornan
Doyle
Dreier
Duncan
Ehlers
Emerson
English
Ensign
Everett
Ewing
Fields (TX)
Flanagan
Forbes
Fox
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gillmor
Goodlatte
Goodling
Goss
Graham
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Holden
Hostettler
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kildee
Kim
King
Kingston
Klink
Knollenberg
LaFalce
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Lucas
Manton
Manzullo
Mascara
McCollum
McCrery
McDade
McIntosh
McKeon
McNulty
Metcalf
Mica
Moakley
Mollohan
Montgomery
Moorhead
Murtha
Myers
Myrick
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Ortiz
Orton
Oxley
Packard
Parker
Paxon
Peterson (MN)
Petri
Pombo
Portman
Poshard
Quillen
Quinn
Radanovich
Rahall
Regula
Riggs
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Seastrand
Sensenbrenner
Shadegg
Shuster
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Stupak
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Tiahrt
Tucker
Upton
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)

NOT VOTING—8

Andrews
Bachus
Chapman
Dickey
Flake
Kleczka
Thornton
Yates

☐ 1349

Mr. BUYER changed his vote from ''aye'' to ''no.''

Mr. BONO changed his vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. BACHUS. Mr. Speaker, on rollcall vote No. 382, I was unavoidably detained while meeting with Alabama's delegation to the White House Conference on Small Business. Had I been present, I would have voted ''no'' on the DeLauro amendment.

AMENDMENTS EN BLOC, AS MODIFIED, OFFERED BY MR. SPENCE

Mr. SPENCE. Mr. Chairman, pursuant to section 3 of House Resolution 164 I offer amendments en bloc.

The CHAIRMAN. The Clerk will designate the amendments en bloc.

The text of the amendments en bloc, as modified, is as follows:

Amendments en bloc, as modified, offered by Mr. SPENCE:

Amendment No. 2, part 2, offered by Mr. Hoke: At the end of title XII (page 409, after line 18), insert the following new section:

SEC. 1228. SENSE OF CONGRESS CONCERNING UNILATERAL IMPLEMENTATION OF START II TREATY.

(a) FINDINGS.—Congress finds that—

(1) the START II Treaty has not entered into force; and

(2) the United States is nevertheless taking unilateral steps to implement the reductions in strategic forces called for by that treaty.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary of Defense should not implement any reduction in strategic forces that is called for in the START II Treaty unless and until that treaty enters into force.

(c) DEFINITIONS.—For purposes of this section, the term ''START II Treaty'' means the Treaty between the United States of America and the Russian Federation on Further Reduction and Limitation of Strategic Offensive Arms.

Amendment No. 8, part 2 offered by Mr. Bateman: At the end of subtitle B of title II (page 31, after line 11), insert the following new section:

SEC. 217. DEVELOPMENT OF LASER PROGRAM.

(a) LASER PROGRAM.—The amount authorized for appropriation by section 201 is hereby increased by $9,000,000, to be used for the development by the Naval High Energy Laser Office of a continuous wave, superconducting radio frequency free electron laser program.

(b) OFFSET.—The amount authorized by section 201 is hereby reduced by $9,000,000, of which—

(1) $7,000,000 shall be derived from amounts authorized for experimental evaluation of major innovative technologies (PE 63226E); and

(2) $2,000,000 shall be derived from amounts authorized for the space test program (PE 63402F).

Amendment No. 9, part 2, as modified, offered by Ms. Harman: In section 257(e):

Page 55, line 1, insert after ''section 201'' the following: ''for federally funded research and development centers and university-affiliated research centers''.

Amendment No. 10, part 2, offered by Mr. Hansen: At the end of title II (page 61, after line 2), insert the following new section:

SEC. 263. FIBER OPTIC ACOUSTIC SENSOR SYSTEM.

(a) FIBER OPTIC ACOUSTIC SENSOR SYSTEM.—Of the amount appropriated pursuant to the authorization in section 201, $28,181,000 shall be available for fiscal year 1996 for the advanced submarine combat systems development program (PE 63504N). Of that amount, $6,900,000 shall be available for research and development of a fiber optic acoustic sensor system, including the development of common optical towed arrays.

(b) OFFSET.—The amount authorized in section 201 for the advanced submarine systems development program (PE 63561N) is hereby reduced by $6,900,000.

Amendment No. 12, part 2, as modified, offered by Mr. Cunningham: At the end of title II (page 61, after line 2), insert the following new section:

SEC. 263. JOINT TARGETING SUPPORT SYSTEM TESTBED.

(a) JOINT TARGETING SUPPORT SYSTEM TESTBED.—The amount authorized in section 201(2) for theater mission planning (project A1784) is hereby increased by $10,000,000, to be used to establish a joint targeting support system testbed (in PE 0204229N).

(b) OFFSET.—The amount authorized in section 201(2) for the Tomahawk (project A0545) is hereby reduced by $10,000,000.

At the end of subtitle B of title I (page 19, after line 20), insert the following new section:

SEC. 112. REPEAL OF REQUIREMENTS FOR ARMORED VEHICLE UPGRADES.

Subsection (j) of section 21 of the Arms Export Control Act (22 U.S.C. 2761) is repealed.

Amendment No. 16, part 2, as modified, offered by Mr. Duncan. Strike out section 367 (page 107, line 16, through page 108, line 2) and insert in lieu thereof the following:

SEC. 367. INCREASED RELIANCE ON THE PRIVATE SECTOR.

(A) GENERAL RULE.—The Secretary of Defense shall endeavor to carry out through an entity in the private sector any activity to provide a commercial product or service for the Department of Defense if—

(1) the product or service can be provided through a source in the private sector; and

(2) an adequate competitive environment exists to provide for economical accomplishment of the function by the private sector.

(b) APPLICABILITY.—(1) Subsection (a) shall not be construed to apply to any commercial product or service with respect to which the Secretary of Defense determines that—

(A) production, manufacture, or provision of that product or service by the Government is necessary for reasons of national security; or

(B) the product or service is so inherently governmental in nature that it is in the public interest to require production or performance, respectively, by the Department of Defense.

(2) A determination under paragraph (1) shall be made in accordance with regulations prescribed under subsection (c).

(c) REGULATIONS.—The Secretary of Defense shall prescribe regulations for the purposes of this section. Such regulations shall be prescribed in consultation with the Director of the Office of Management and Budget.

(d) REPORT.—(1) The Secretary of Defense shall identify all activities of the Department of Defense that are carried out to provide commercial products or services for the Department of Defense and that are carried out by personnel of the Department of Defense (other than activities specified by the Secretary pursuant to subsection (b)).

(2) The Secretary shall transmit to Congress, not later than April 15, 1996, a report on matters relating to increased use of the private sector for the performance of commercial functions for the Department of Defense. The report shall include a list of all activities identified under paragraph (1) and indicate, for each activity, whether the Secretary proposes to convert the performance of such activity to performance by the private sector and, if not, the reasons why.

(3) The report shall include—

(A) a description of the advantages and disadvantages of using contractor personnel, rather than employees of the Department of Defense, to perform functions of the Department that are not essential to the warfighting mission of the Armed Forces;

(B) specification of all legislative and regulatory impediments to contracting those functions for private performance; and

(C) the views of the Secretary of Defense on the desirability of terminating the applicability of OMB Circular A–76 to the Department of Defense.

(4) The Secretary shall carry out paragraph (1) in consultation with the Director of the Office of Management and Budget and the Comptroller General of the United States. In carrying out that paragraph, the Secretary shall consult with, and seek the views of, representatives of the private sector, including organizations representing small businesses.

Amendment No. 17, part 2 offered by Mr. Bateman: Page 120, line 22, insert after ''law enforcement'' the following: ''or emergency response''.

Amendment No. 19, part 2, offered by Mr. Lewis of California or Mr. Skeen: At the end of title III (page 153, after line 25), insert the following new section:

SEC. 396. EXPANSION OF SOUTHWEST BORDER STATES ANTI-DRUG INFORMATION SYSTEM.

Congress finds that the Southwest Border States Anti-Drug Information Systems program is an important element in the effort of the Department of Defense to support law enforcement agencies in the fight against illegal trafficking of narcotics.

Amendment No. 20, part 2, offered by Mr. Dornan: At the end of subtitle B of title V (page 189, after line 7), insert the following new section:

SEC. 519. ACTIVE DUTY ASSOCIATE UNIT RESPONSIBILITY.

(a) ASSOCIATE UNITS.—Subsection (a) of section 1131 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 106 Stat. 2540) is amended to read as follows:

''(a) ASSOCIATE UNITS.—The Secretary of the Army shall require—

''(1) that each ground combat maneuver brigade of the Army National Guard that (as determined by the Secretary) is essential for the execution of the National Military Strategy be associated with an active-duty combat unit; and

''(2) that combat support and combat service support units of the Army Selected Reserve that (as determined by the Secretary) are essential for the execution of the National Military Strategy be associated with active-duty units.''.

(b) RESPONSIBILITIES.—Subsection (b) of such section is amended—

(1) by striking out ''National Guard combat unit'' in the matter preceding paragraph (1) and inserting in lieu thereof ''National Guard unit or Army Selected Reserve unit that (as determined by the Secretary under subsection (a)) is essential for the execution of the National Military Strategy''; and

(2) by striking out ''of the National Guard unit'' in paragraphs (1), (2), (3), and (4) and inserting in lieu thereof ''of that unit''.

Amendment No. 24, part 2, offered by Mr. Hastings of Washington: Page 304, beginning on line 23, strike out ''September 30, 1995'' and insert in lieu thereof ''October 1, 1994''.

Amendment No. 25, part 2, offered by Mr. Moakley: Page 306, after line 5, insert the following new subsection:

(b) SENSE OF CONGRESS.—(1) Congress finds that the Uniformed Services Treatment Facilities provide quality health care to the 120,000 Department of Defense beneficiaries enrolled in the Uniformed Services Family Health Plan provided by these facilities.

(2) In light of such finding, it is the sense of Congress that the Uniformed Services Family Health Plan provided by the Uniformed Services Treatment Facilities should not be terminated for convenience under provisions of the Federal Acquisition Regulation by the Secretary of Defense before the expiration of the current participation agreements.

Amendment No. 27, part 2, offered as modified by Mr. Pickett: Page 307, strike out line 20 and all that follows through line 6 on page 308, relating to section 724 of the bill (equitable implementation of uniform cost sharing requirements for Uniformed Services Treatment Facilities), and insert the following new section:

SEC. 724. EQUITABLE IMPLEMENTATION OF UNIFORM COST SHARING REQUIREMENTS FOR UNIFORMED SERVICES TREATMENT FACILITIES.

(a) TIME FOR FEE IMPLEMENTATION.—The uniform managed care benefit fee and copayment schedule developed by the Secretary of Defense for use in all managed care initiatives of the military health service system, including the managed care program of the Uniformed Services Treatment Facilities, shall be extended to the managed care program of a Uniformed Services Treatment Facility only after the later of—

(1) the implementation of the TRICARE regional program covering the service area of the Uniformed Services Treatment Facility; or

(2) the end of the 180-day period beginning on the date of the enactment of this Act.

(b) SUBMISSION OF ACTUARIAL ESTIMATES.—Paragraph (2) of subsection (a) shall operate as a condition on the extension of the uniform managed care benefit fee and copayment schedule to the Uniformed Services Treatment Facilities only if the Uniformed Services Treatment Facilities submit to the Comptroller General of the United States, within 30 days after the date of the enactment of this Act, actuarial estimates in support of their contention that the extension of such fees and copayments will have an adverse effect on the operation of the Uniformed Services Treatment Facilities and the enrollment of participants.

(c) EVALUATION.—Except as provided in paragraph (2), not later than 90 days after the date of the enactment of this Act, the Comptroller General shall submit to Congress the results of an evaluation of the effect on the Uniformed Services Treatment Facilities of the extension of the uniform benefit fee and copayment schedule to the Uniformed Services Treatment Facilities. The evaluation shall include an examination of whether the benefit fee and copayment schedule may—

(A) cause adverse selection of enrollees;

(B) be inappropriate for a fully at-risk program similar to civilian health maintenance organizations; or

(C) result in an enrolled population dissimilar to the general beneficiary population.

(2) The Comptroller General shall not be required to prepare or submit the evaluation under paragraph (1) if the Uniformed Services Treatment Facilities fail to satisfactorily comply with subsection (b), as determined by the Comptroller General.

Amendment No. 28, part 2, as modified, offered by Mr. Bateman: At the end of subtitle C of title VIII (as added by the amendment of Mr. Clinger), insert the following new section:

SEC. 845. COST REIMBURSEMENT RULES FOR INDIRECT COSTS ATTRIBUTABLE TO PRIVATE SECTOR WORK OF DEFENSE CONTRACTORS.

(a) DEFENSE CAPABILITY PRESERVATION AGREEMENT.—The Secretary of Defense may enter into an agreement, to be known as a ''defense capability preservation agreement'', with a defense contractor under which the cost reimbursement rules described in subsection (b) shall be applied. Such an agreement may be entered into in any case in which the Secretary determines that the application of such cost reimbursement rules would facilitate the achievement of the policy set forth in section 2501(c) of title 10, United States Code.

(b) COST REIMBURSEMENT RULES.—(1) The cost reimbursement rules applicable under an agreement entered into under subsection (a) are as follows:

(A) The Department of Defense shall, in determining the reimbursement due a contractor for its indirect costs of performing a defense contract, allow the contractor to allocate indirect costs to its private sector work only to the extent of the contractor's allocable indirect private sector costs, subject to subparagraph (C).

(B) For purposes of subparagraph (A), the allocable indirect private sector costs of a contractor are those costs of the contractor that are equal to the amount by which the revenue attributable to the private sector work of the contractor exceeds the sum of—

(i) the direct costs attributable to such work, and

(ii) the incremental indirect costs attributable to such work.

(C) The total amount of allocable indirect private sector costs for a contract in any year of the agreement may not exceed the amount of indirect costs that a contractor would have allocated to its private sector work during that year in accordance with the contractor's accounting practices.

(2) The cost reimbursement rules set forth in paragraph (1) may be modified if the Secretary of Defense determines that modifications are appropriate to the particular situation to facilite achievement of the policy set

forth in section 2501(c) of title 10, United States Code.

(c) RELATIONSHIP TO ACCOUNTING PRACTICE CHANGE.—The use of the cost reimbursement rules described in subsection (b) under such an agreement with a contractor and the implementation of such an agreement does not constitute a change in cost accounting practices of the contractor within the meaning of section 26(h)(1)(B) of the Office of Federal Procurement Policy Act (41 U.S.C. 422(h)(1)(B)).

(d) CONTRACTS COVERED.—An agreement entered into with a contractor under subsection (a) shall apply to all Department of Defense contracts with the contractor either existing on the date on which the agreement was entered into or awarded during the term of the agreement.

Amendment No. 29, Part 2, as Modified Offered by Mr. Everett: At the end of title IX (page 345, after line 17), insert the following new section:

SEC. 909. AVIATION TESTING CONSOLIDATION.

(a) LIMITATION.—The Secretary of the Army may not consolidate the Aviation Technical Test Center, Fort Rucker, Alabama, with any other aviation testing facility until 60 days after the date on which a report containing the results of the evaluation of such consolidation described in subsection (b) is received by the congressional defense committees.

(b) INDEPENDENT EVALUATION.—The Secretary of the Army shall provide for an evaluation by the Institute for Defense Analyses (a Federal contract research center) of the proposal of the Test and Evaluation Command of the Army to relocate the Aviation Technical Test Center to Yuma Proving Ground, Arizona. The evaluation of such proposal shall include consideration of the following:

(1) A review and validation of studies conducted by the Army Materiel Command and the Army Test and Evaluation Command of the proposed relocation.

(2) The effect on, and cost of, maintenance and logistics capability (including maintenance of a parts inventory) to support the test evaluation fleet.

(3) The availability of facilities and infrastructure necessary to conduct the aviation testing mission at Yuma Proving Ground.

(4) The availability of engineers and maintenance technicians to support the aviation testing mission at Yuma Proving Ground.

(5) The effect on current and planned aircraft programs.

(6) Consistency with the efforts of the Army to become the Department of Defense leader for rotary-wing aircraft.

(7) Potential savings, including the time period over which such savings could be realized.

(8) Comparison of live-fire testing with computer-simulated testing.

(c) TIME REQUIREMENT FOR COMPLETION OF EVALUATION.—The evaluation under subsection (b) shall be completed not later than 120 days after the date of the enactment of this Act.

Amendment No. 31, Part 2, Offered by Mr. Traficant: At the end of title X (page 377, after line 19), insert the following new section:

SEC. 1033. APPLICATION OF BUY AMERICAN ACT PRINCIPLES.

(a) REINSTATEMENT OF PRINCIPLES.—(1) If the Secretary of Defense, after consultation with the United States Trade Representative, determines that a foreign country which is party to an agreement described in paragraph (2) has violated the terms of the agreement by discriminating against certain types of products produced in the United States that are covered by the agreement, the Secretary of Defense shall rescind the Secretary's blanket waiver of the Buy American Act with respect to such types of products produced in that foreign country.

(2) An agreement referred to in paragraph (1) is any reciprocal defense procurement memorandum of understanding, between the United States and a foreign country pursuant to which the Secretary of Defense has prospectively waived the Buy American Act for certain products in that country.

(b) REPORT.—The Secretary of Defense shall submit to Congress a report on the amount of Department of Defense purchases from foreign entities in fiscal year 1996. Such report shall separately indicate the dollar value of items for which the Buy American Act was waived pursuant to any agreement described in subsection (a)(2), the Trade Agreement Act of 1979 (19 U.S.C. 2501 et seq.), or any international agreement to which the United States is a party.

(c) DEFINITION.—For purposes of this section, the term ''Buy American Act'' means title III of the Act entitled ''An Act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes'', approved March 3, 1933 (41 U.S.C. 10a et seq.).

AMENDMENT No. 34, part 2, as modified, offered by Mrs. Morella: At the end of title XII (page 409, after line 18), add the following:

SEC. 1228. SENSE OF THE CONGRESS REGARDING THE CHEMICAL WEAPONS CONVENTION.

(a) FINDINGS.—The Congress finds that—

(1) events such as the March 1995 terrorist release of a chemical nerve agent in the Tokyo subway, the threatened use of chemical weapons during the 1991 Persian Gulf War, and the widespread use of chemical weapons during the Iran-Iraq War of the 1980's are all potent reminders of the menace posed by chemical weapons, of the fact that the threat of chemical weapons is unappreciated and not sufficiently addressed, and of the need to outlaw the development, production, and possession of chemical weapons;

(2) the Convention on the Prohibition of the Development, Production, Stockpiling, and Use of Chemical Weapons and on Their Destruction (here-after in this section referred to as the ''Convention'') would establish a comprehensive ban on chemical weapons, and its negotiation has enjoyed strong bipartisan congressional support, as well as the support of the last 6 administrations, both Republican and Democratic;

(3) United States military authorities, including Chairman of the Joint Chiefs of Staff General John Shalikashvili, have stated that United States military forces will deter and respond to chemical weapons threats with a robust chemical defense and an overwhelming superior conventional response, as demonstrated in the Persian Gulf War, and have testified in support of the Convention's ratification;

(4) the Congress in 1985 mandated the unilateral destruction of the bulk of the chemical weapons stockpile of the United States, and the Convention, which requires participating states to destroy their chemical arsenals and production facilities under international supervision, would accelerate progress toward the disarmament of chemical weapons in a majority of the states believed to harbor chemical weapons capabilities, as this majority is among the Convention's 159 signatories;

(5) the United States chemical industry was an important partner during the negotiation of the Convention, assisted in crafting a reasonable, effective verification protocol, participated in both United States and international trials to test provisions of the Convention during its negotiation, and testified in support of the Convention's ratification;

(6) the United States intelligence community has testified that the Convention will provide new and important sources of information, through regular data exchanges and routine and challenge inspections, to improve the ability of the United States to assess the chemical weapons status in countries of concern;

(7) the Convention will gradually isolate and automatically penalize states that refuse to join by preventing them from gaining access to dual-use chemicals and creating a basis for monitoring illegal diversions of those materials;

(8) the Convention has not entered into force for lack of the requisite number of ratifications;

(9) the United States played a leading role in drafting the Convention, and, as a global leader, must remain at the helm of this effort to deter further proliferation of chemical weapons and provide the legal framework that will minimize the threat posed by chemical weapons;

(10) Russia has signed the Convention, but has not yet ratified it;

(11) there have been reports by Russian sources of continued Russian production and testing of chemical weapons, including a statement by a spokesman of the Russian Ministry of Defense on December 5, 1994, that ''We cannot say that all chemical weapons production and testing has stopped altogether.''; and

(12) the Convention will impose a legally binding obligation on Russia and other nations that possess chemical weapons to cease offensive chemical weapons activities and to destroy their chemical weapons stockpiles and production facilities.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) the United States should signify its commitment to reducing the threat posed by chemical weapons by promptly joining the 28 other nations that have ratified the Convention;

(2) both Houses of Congress should further demonstrate United States preparedness to adopt the Convention by acting expeditiously to pass the required implementing legislation as soon as the Senate gives its advice and consent to the ratification of the Convention;

(3) both Houses of Congress should continue to lend their full support for the indefinite future to programs that maintain, as the Convention allows and monitors, United States defense preparedness against chemical weapons;

(4) the United States must be prepared to exercise fully its rights under the Convention, including the request of challenge inspections when warranted, and to exercise leadership in pursuing punitive measures against violators of the Convention, when warranted;

(5) the United States should strongly encourage full implementation at the earliest possible date of the terms and conditions of the United States-Russia bilateral chemical weapons destruction agreement signed in 1990;

(6) understanding that Western assistance would be helpful to a successful Russian chemical weapons destruction program, the United States should encourage Russia to ratify promptly the Convention and implement a plan that will ensure full compliance with the Convention, including the destruction of chemical weapons stockpiles in accordance with the Convention's time lines; and

(7) the United States should seek to encourage other nations to ratify promptly the Convention and to implement faithfully all its terms and conditions.

Amendment No. 41, Part 2, as modified, Offered by Mr. Hall of Ohio: On page 532, after line 5, insert the following new section:

SEC. 3145. ACCELERATED SCHEDULE FOR ENVIRONMENTAL MANAGEMENT ACTIVITIES.

(a) ACCELERATED CLEANUP.—The Secretary of Energy shall accelerate the schedule for environmental management activities and projects for any specific Department of Energy defense nuclear facility site if, in the opinion of the Secretary, such an accelerated schedule will result in substantial long-term cost savings to the Federal Government and speed up release of land for economic development.

(b) SITE SELECTION.—In selecting sites for an accelerated schedule under subsection (a), the Secretary shall give highest priority to sites that are in close proximity to populated areas, that pose significant risk, and that have the greatest potential to result in privatization, commercialization, and economic development of unneeded facilities.

(c) ELIGIBILITY.—For purposes of subsection (a), environmental management activities and projects shall be eligible for an accelerated schedule under subsection (a) if the time for completion at the site of such activities can be reduced by 50 percent or more below the time established in the report of the Department of Energy Office of Environmental Management titled ''1995 Baseline Environmental Management Report'', March 1995.

(d) SAVINGS PROVISION.—Nothing in this section shall be construed as affecting a specific statutory requirement for a specific project or as modifying or otherwise affecting applicable statutory or regulatory environmental restoration requirements, including substantive standards intended to protect public health and the environment.

Amendment No. 43, Part 2, as modified, offered by Mr. Hunter: Page 326 (section 805), line 5, strike ''VESSEL COMPONENTS.—'' and insert in lieu thereof ''VESSEL COMPONENTS FOR ALL BRANCHES OF THE ARMED FORCES.—''.

Page 326 (section 805), strike lines 14 through 20 and insert in lieu thereof the following:

''(B) The following components of vessels, to the extent they are unique to marine applications: cable assemblies, hose assemblies, hydraulics and pumps for steering, gyrocompasses, marine autopilots, electric navigation chart systems, navigators, attitude and heading reference units, power supplies, radars, steering controls, pumps, engines, turbines, reduction gears, motors, refrigeration systems, generators, propulsion and machinery control systems, and totally enclosed lifeboards, including associated davits and winches.''.

Page 326, line 3, insert 3, insert ''(1)'' before ''Paragraph (3)''.

Page 326, line 20, insert the following:

(2) Section 2534 of such title is amended by adding at the end the following new subsection:

''(h) IMPLEMENTATION OF MARINE VESSEL COMPONENT LIMITATION.—In implementing subsection (a)(3)(B), the Secretary of Defense—

''(1) may not use contract clauses or certifications; and

''(2) shall use management and oversight techniques that achieve the objective of the subsection without imposing a significant management burden on the Government or the contractor involved.''.

Amendment No. 45, part 2, as modified, offered by Ms. Woolsey: At the end of subtitle C of title XXVIII (page 490, after line 2), insert the following new sections:

SEC. 2834. MODIFICATION OF EXISTING LAND CONVEYANCE, HAMILTON AIR FORCE BASE.

(a) AUTHORITIES IN EVENT OF PARTIAL SALE.—In the event that the purchaser purchases only a portion of the Sale Parcel and exercises its option to withdraw from the sale as to the rest of the Sale Parcel, the portion of the Sale Parcel that is not purchased (other than Landfill 26 and an appropriate buffer area around it and the groundwater treatment facility site), together with any of the land referred to in section 9099(e) of Public Law 102–396 that is not purchased by the purchaser, may be sold to the City of Novato, in the State of California, for the sum of One Dollar as a public benefit transfer for school, classroom or other educational use, for use as a public park or recreation area or for further conveyance as provided herein, subject to the following restrictions: (1) if the City sells any portion of such land to any third party within 10 years after the transfer to the City, which sale may be made without the foregoing use restrictions, any proceeds received by the City in connection with such sale, minus the demonstrated reasonable costs of conducting the sale and of any improvements made by the City to the land following its acquisition of the land (but only to the extent such improvements increase the value of the portion sold), shall be immediately turned over to the Army in reimbursement of the withdrawal payment made by the Army to the contract purchaser and the costs of cleaning up the Landfill and (2) until one year following completion of the cleanup of contaminated soil in the Landfill and completion of the groundwater treatment facilities, the sale must be at a per-acre price for the portion sold that is at least equal to the per-acre contract price paid by the purchaser for the portion of the Sale Parcel purchased under the Agreement and Modification, as amended, and thereafter must be at a price at least equal to the fair market value of the portion sold. The foregoing restrictions shall not apply to a transfer to another public or quasi-public agency for public uses of the kind described above. The deed to the City shall contain a clause providing that, if any of the proceeds referred to in clause (1) are not delivered to the Army within 30 days after sale, or any portion of the land not sold as provided herein is used for other than educational, park or recreational uses, title to the applicable portion of such land shall revert to the United States at the election of the Administrator of the General Services Administration. The Secretary of the Army shall agree to deliver into the applicable closing escrow an acknowledgment of receipt of any proceeds described in clause (1) above and a release of the reverter right as to the affected land, effective upon such receipt.

(b) SPECIAL CONVEYANCE REGARDING BUILDING 138 PARCEL.—The Secretary of the Army may convey the Building 138 parcel, which has been designated by the parties as Parcel A4 to the purchaser of the Sale Parcel. The per-acre price for the portion sold shall be at least equal to the per-acre contract price paid by the purchaser for the portion of the Sale Parcel purchased under the Agreement and Modification, dated September 25, 1990, as amended.

SEC. 2835. TRANSFER OF JURISDICTION, FORT BLISS, TEXAS.

(a) TRANSFER OF LAND FOR NATIONAL CEMETERY.—The Secretary of the Army may transfer, without reimbursement, to the administrative jurisdiction of the Secretary of Veterans Affairs a parcel of real property (including any improvements thereon) consisting of approximately 22 acres and comprising a portion of Fort Bliss, Texas.

(b) USE OF LAND.—The Secretary of Veterans Affairs shall use the real property transferred under subsection (a) as an addition to the Fort Bliss National Cemetery and administer such real property pursuant to chapter 24 of title 38, United States Code.

(c) RETURN OF UNUSED LAND.—If the Secretary of Veterans Affairs determines that any portion of the real property transferred under subsection (a) is not needed for use as a national cemetery, the Secretary of Veterans Affairs shall return such portion to the administrative jurisdiction of the Secretary of the Army.

(d) LEGAL DESCRIPTION.—The exact acreage and legal description of the real property to be transferred under this section shall be determined by surveys that are satisfactory to the Secretary of the Army. The cost of such surveys shall be borne by the Secretary of Veterans Affairs.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Army may require such additional terms and conditions in connection with the transfer under this section as the Secretary of the Army considers appropriate to protect the interests of the United States.

Amendment No. 46, part 2, offered by Mr. Spratt: In the matter proposed to be added by section 805(c) (page 327, line 8), insert after ''bearings)'' the following: '', notwithstanding section 33 of the Office of Federal Procurement Policy Act (41 U.S.C. 429)''.

The CHAIRMAN. Pursuant to the rule, the gentleman from South Carolina [Mr. SPENCE] and the gentleman from California [Mr. DELLUMS] will each be recognized for 10 minutes.

The Chair recognizes the gentleman from South Carolina [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, I yield myself such time as I may consume.

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Missouri.

Mr. VOLKMER. Mr. Chairman, I notice that my count is right. We have about 20 of the No. 2 amendments in this en bloc amendment. I would ask the gentleman, does that leave any further amendments yet to be disposed of?

Mr. SPENCE. I do not think so.

Mr. VOLKMER. In other words, we are really getting to the end of this bill at this time?

Mr. SPENCE. The gentleman is correct.

Mr. VOLKMER. And when this amendment is disposed of we should be able to go right to the final action on the motion to recommit, or whatever?

Mr. SPENCE. That is right.

Mr. VOLKMER. Mr. Chairman, I thank the gentleman from South Carolina very much.

I would like to inquire of the gentleman, were there any other amendments, especially from the Democratic side, that were not included in the en bloc that some Members over here would have liked to have included?

Mr. SPENCE. No. The other amendments, some were offered and not debated because the author did not choose to pursue it.

Mr. VOLKMER. The gentleman says they did not want to pursue them, because I notice in this en bloc there are about 13 Republican and about 7 Democrat amendments, but I guess that is because Members pursued them.

Mr. Chairman, I thank the gentleman very much.

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. ROHRABACHER].

Mr. ROHRABACHER. Mr. Chairman, I would like to engage the distinguished chairman of the Military Research and Development Subcommittee in a colloquy.

First of all, I would like to thank the gentleman from Pennsylvania, the chairman of the full committee, the gentleman from South Carolina [Mr. SPENCE], and the former chair of the subcommittee, the gentlewoman from Colorado [Mrs. SCHROEDER] for their support for continuing development of reusable launch vehicles. This technology development will be pursued in cooperation with and support of NASA's Reusable Launch Vehicle Program. As you know, this activity will be managed by the same DOD team which has so capably run the DC–X project, which had another very successful flight on Monday.

Mr. WELDON of Pennsylvania. Mr. Chairman, will the gentleman yield?

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

Mr. WELDON of Pennsylvania. Mr. Chairman, I would just say that the innovative approach being used in the DC–X project to demonstrate reusable rocket technology overcame bureaucratic as well as technical challenges. The success of the DC–X is one of the reasons this committee believes that the Department of Defense should continue to play a strong role in reusable launch vehicle research.

Mr. ROHRABACHER. Mr. Chairman, reclaiming my time, it is my understanding that the committee is authorizing $100 million in fiscal year 1996 for developing and testing reusable launch vehicle technologies in support of the NASA-led X–33 advanced concept technology demonstration x-vehicle program.

Mr. WELDON of Pennsylvania. That is correct. This is pursuant to three administration policy plans: First, the President's space launch policy, which calls for the Department of Defense to cooperate with NASA in its Reusable Launch Vehicle Program; second, DOD's implementation plan for the President's policy, which calls for developing ''space launch technologies which support * * * DOD-unique interests in reusable launch vehicles;'' and third, General Moorman's space launch modernization plan, which calls for at least $120 million per year for a core space launch technology effort.

Mr. ROHRABACHER. Reclaiming my time, it is also my understanding, Mr. Chairman, that the committee's support for a cooperative DOD reusable launch technology effort is based on a clear set of policy goals, namely that: First, military space assets are increasingly vital to the warfighter, and therefore inexpensive, reliable, and frequent access to space is vital to national security; second, while an evolved expendable launch vehicle program will provide a near-term, incremental improvement in space access, foreseeable military and commercially competitive requirements for space launch can be best and most economically satisfied by fully reusable launch systems; and third, reusable rocket technologies also show great promise for space sortie and other global reach aircraft missions which could be performed by RLV-based transatmospheric vehicles.

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Mr. WELDON of Pennsylvania. Mr. Chairman, if the gentleman will yield further, the gentleman from California is indeed correct. The committee is funding DOD's cooperative involvement in the NASA-led X–33 reusable launch vehicle program first and foremost because of national security goals and requirements. The committee believes that the Air Force's Phillips Laboratory team brings unique expertise and talent to the challenge of reusable launch vehicle research generally, and to the NASA-led X–33 program specifically, a fact recognized by NASA in naming the Phillips Laboratory team as the X–33 deputy for flight testing and operations. The committee is not attempting to use DOD funds to subsidize a NASA program, but rather to fund DOD personnel to strengthen and improve a NASA-led national effort which is vital to DOD as well as commercial launch interests.

Mr. DELLUMS. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Ohio [Mr. TRAFICANT].

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

Mr. TRAFICANT. Mr. Chairman, I appreciate the committee accepting the Buy-American amendment that I had offered on this bill. This is a different type of a Buy-American amendment. Just for the Members to understand this, the defense budget of the United States of America is larger than every country's budget except five total budgets in the world.

There are countries that will not allow our companies to bid on their government contracts. We for years have turned the other cheek and allowed them to come in here, and they do not reciprocate and give us the same opportunity. This amendment says if the Secretary of Defense, after consulting with the trade rep, determines that a nation, foreign nation, is not allowing American companies to bid on their products and goods, they are in turn subject to the Buy American Act and there cannot be a waiver of the Buy American Act once they make that violation.

Right now our Nation is at a battle stage with Japan. We have had Japan promising us from the Presidency of Richard Nixon now up through President Clinton that they are going to open their markets. ''Give us another year.''

Mr. Chairman, Japan is taking us to court, to the World Trade Organization, which I think is unconstitutional in the first place. God forbid if some bunch of individuals in the World Trade Organization rules against the United States of America. Beam me up. I mean that.

So I appreciate the fact that the Traficant amendment says look, if those foreign countries are denying America access, we cannot waive the Buy American Act, and they better get themselves in line.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, I want to thank the gentleman for his contribution and his many Buy American provisions that have resulted in a lot of American jobs. The average worker in this country puts $1,000 a year from his paycheck into our defense bill. Because of that, American workers ought to be able to participate in the work. We thank the gentleman for his contribution and for the provision he put in the bill.

Mr. TRAFICANT. I thank you, Chairman HUNTER, and the distinguished chairman and the ranking member, because I did not have to offer too many Buy American amendments. You basically took care of that yourself.

Mr. DELLUMS. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from Pennsylvania [Mr. HOLDEN].

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

Mr. HOLDEN. Mr. Chairman, I would like to briefly discuss an issue which I believe is very important, the cost-effectiveness of Defense energy acquisition. Before doing so, may I say that I am sure that I speak for the vast majority of the Members of the House in congratulating the Members of the National Security Committee for their hard work on this important legislation. It is not an easy task, and my thanks go to all concerned.

Mr. Chairman, I have just completed a thorough on-site inspection of the Department of the Air Force's ongoing policy for the acquisition of required modern heating services for the U.S. facilities in the Kaiserslautern Military Community of Germany. Pursuant to previous authorization law, 10 U.S.C. 2690, and subsequent appropriations measures, the Department has only recently completed the first of three essential heating modernization agreements in this military region, this one being for American facilities in the city of Kaiserslautern.

I would like to make all of my colleagues and particularly the members of the National Security Committee, aware of this situation. I would like to add that the agreement between the city Kaiserslautern and the Air Force, for the acquisition of furnished heating services, meets the cost-effective criteria of the legislation, and likewise provides for the use of American coal as the base-load energy in the municipal heating system which will provide furnished heat to the U.S. facilities in Kaiserslautern West.

Acting under what it says are the guidelines of both the authorization and appropriations

legislation, Air Force-Europe is undertaking the various steps of procurement that will result in counter-cost-productive energy acquisition policy. I refer to the two other major installations in the same military community, the U.S. facilities in nearby Landstuhl, and Ramstein Air Base as well. The Air Force agreement for the city of Kaiserslautern stipulates the cost-effective use of American coal, but proposed agreements for these other two installations include the use of costly foreign natural gas as the base load energy. This development was made known to me, in spite of recent German energy statistics which clearly indicate over a 6-year period, natural gas and oil used in German central heating systems has increased in price at least twice as much as coal.

Mr. Chairman, it seems there are at least two very serious drawbacks on this policy. First, more efficient cost considerations are being laid aside by the Air Force; second, the interests of the U.S. energy industry are being once again put aside in favor of a policy that directs the benefit of U.S. Defense dollars to foreign economics. I feel this is a very serious matter.

I regret that the complete picture of the cost deficiencies of this energy acquisition matter was not available prior to the House committee adopting the fiscal year 1996 authorization act. In view of the most disturbing economic trends of this Air Force policy, I believe that these concerns should be expressed to the Committee on National Security and in turn to the Secretary of the Air Force, and that further, pending the outcome of an independent evaluation of cost effectiveness on the issues, that the Department should place all procurement in abeyance until this has been fully considered by the Committee.

I believe that the Department of the Air Force should suspend such procurement activity for the time being, while the cost effectiveness considerations are being evaluated.

Mr. SPENCE. Mr. Chairman, for the purpose of engaging in a colloquy, I yield 3 minutes to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding. I wish to engage now in a colloquy with my good friend, the gentleman from California [Mr. MCKEON].

Mr. MCKEON. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from California.

Mr. MCKEON. Mr. Chairman, I thank the gentleman from California [Mr. HUNTER] for his courtesy.

Mr. Chairman, along with several other Members of this body, I am concerned that small, sea-skimming, antiship cruise missiles are today in the hands of more than 100 countries. Thousands of lives and an enormous investment in capital ships, equipment, and supplies are potentially at risk because of the proliferation of, and the threat posed by, these missiles.

While the Navy has improved its radar capabilities to detect small targets in open ocean sea clutter, clutter levels over typical littoral waters, relative to the open ocean, are far more severe. Consequently, in order to address the problem posed by these small, sea-skimming missiles, Congress has appropriated $30.3 million over the past 3 fiscal years to develop an upgrade to the primary radar used by aircraft carriers and big deck amphibious ships.

Unfortunately, due to lengthy delays in releasing these funds, the radar upgrade modification program was not initiated until February of this year—and then only $6 million was put under contract. Moreover, the Vice Chief of Naval Operations recently informed the Congress that only $3 million in additional funds have been allocated by the Navy for this program through the remainder of this fiscal year.

Despite the danger posed by these cruise missiles, the Navy did not fund continuation of this upgrade in its fiscal year 1995 budget. Recent communications with senior Navy officials have raised doubts as to whether Navy will request funds for this program in fiscal year 1997.

Mr. Chairman, I understand that seeking additional funds in fiscal year 1996 for production of the upgrade modification kit—given the fact that the Navy has only recently begun to develop it—may be premature. However, I believe this program is one that deserves our consideration. I would ask the chairman's assurance that he will look into the Navy's plans for this radar upgrade development and lend his support to its production and implementation as soon as is possible.

Mr. HUNTER. Mr. Chairman, I thank the gentleman for his concern. Let me say to my good friend from California that I share his concern about the sea-skimming cruise missile threat, and that he absolutely has my assurance that I will thoroughly review this radar upgrade development, together with other integrated ship defense programs, and support its production if warranted. I thank the gentleman for his contribution.

Mr. DELLUMS. Mr. Chairman, I yield myself such time as I may consume. Let me just say that there is an en bloc amendment before the body at this time. It encompasses several amendments. As has been the tradition over the years, these en bloc amendments have been a bipartisan effort to work out arrangements with various Members. This has indeed been done on a bipartisan basis. Our respective staffs have worked together carefully and diligently to work it out. I would urge my colleagues on this side of the aisle to support the en bloc amendments.

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

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. HUNTER].

Mr. DELLUMS. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. HUNTER].

The CHAIRMAN. The gentleman from California [Mr. HUNTER] is recognized for 3 minutes.

Mr. HUNTER. Mr. Chairman, I thank the chairman and ranking member of the full committee for yielding. Mr. Chairman, I want to take this time to thank the chairman for running this authorization in such an effective way, and I want to thank the ranking member for his excellent leadership. I think we have had some great debate, and some very close votes, I might add, votes that went the wrong way in some cases from this Member's perspective and others the right way. But also I think we have had an excellent debate.

Mr. Chairman, I have two gentlemen who wanted to engage in a colloquy with me about an issue that was very important to them. One was the gentleman from Maryland [Mr. EHRLICH], and the gentleman from Maryland [Mr. GILCHREST]. What they were concerned about is this year's Defense Authorization Act which contains a provision which expresses the concern of Congress that growth in the estimated cost of demilitarizing the U.S. stockpile of chemical agents is growing quite rapidly. That is correct. The cost of demilitarizing the existing stockpile of lethal agents, and incidentally a lot of Members are concerned about the fact that we are spending about 72 percent less in terms of modernizing our Navy and our Army and our Marine Corps with sufficient ships and planes and other systems. One reason is we have a lot of spending that is going to traditionally small areas, like the environment, that are growing rapidly, and one other reason is we are spending money on areas such as this demilitarization of chemical agents. That is a fact. It is taking quite a bit of money.

The cost of demilitarizing this existing stockpile that we are now cutting down has grown to about $11.8 billion, in comparison to an early estimate we made of about $1.7 billion. The act expresses the sense of Congress that the Secretary of Defense should consider measures to reduce the overall cost of this demilitarization of our chemical weapons.

Mr. Chairman, I just wanted to assure my colleagues, Mr. GILCHREST and Mr. EHRLICH, and all other Members who are concerned about this demilitarization of chemical weapons, that we will be having hearings in the Subcommittee on Military Procurement on this issue. We will explore all the issues thoroughly, especially this cost issue, and we look forward to having them come and testify, as we do all Members, on this very important issue.

Mr. DELLUMS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we are coming to the last portion of this bill. We will be probably maybe voting on a motion to recommit, final passage, maybe one additional vote.

But let me take this opportunity to say to my distinguished colleague from South Carolina [Mr. SPENCE] who is the chairman of the committee governing the legislation this afternoon, that while there have been times when this gentleman has questioned the process that brings us to the floor, and where

clearly because we have different politics we differ on the substance, I am reminded of the fact that 2 years ago I sat politically, spiritually, and intellectually where the gentleman stood, and that is coming to the closing moments on the floor of Congress for the first time bringing a monumental piece of legislation before this body. So I understand that.

I compliment the gentleman for his significant effort. This is an extraordinary undertaking. I compliment all of our colleagues who have functioned through this process, the give and take, the stress and the strain that has brought us to this floor.

Finally, I would like to compliment all of the staff people, the staff people on both sides of the aisle, Republican and Democrat and bipartisan, because there are very few people except us who know what goes into bringing this bill to the floor of Congress.

□ 1415

Having reduced the staff by one-third, those remaining staff people, and I see some of them smiling, have had to work literally around the clock. We often talk about nameless, faceless bureaucrats. These are diligent, competent, brilliant young people who spend numerous hours dealing with legislation that speaks hopefully to the best interests of this country. Frankly I do not think they make enough money, given the kind of job that they have to do here. So in the full light of day, Mr. Chairman, I would like to compliment all of the staff for an incredible job that they do.

Any Member of Congress who thinks they can function without competent staff is a person that has taken a flight off into fantasy. You are only as good as the people around you, and we are blessed with very bright and very competent people. I hope that we continue to praise them for the diligent work that they have done.

Mr. DUNCAN. Mr. Chairman, I want to thank Chairman SPENCE of the full committee, and all the managers of the bill on both sides for their efforts.

My amendment is simply a common sense, pro small business amendment. It enacts in the Department of Defense a bill In introduced earlier this year, H.R. 28, the Freedom from Government Competition Act.

The Government should be helping small businesses survive and grow—not trying to put them out of business by competing against them.

My amendment simply says that the Department of Defense should not provide any produce or service that can be obtained by the private sector.

This carries out a policy that, since the Eisenhower administration in 1955, has said ''the Federal Government will not start or carry on any commercial activity to provide a service or product for its own use if such product or service can be procured from private enterprise through ordinary business channels.''

Every administration, Republican and Democrat, for the past 40 years, has endorsed this policy, but unfortunately, they have never implemented it.

In fact, I hear estimates that as many as 1 million Federal employees are now doing commercial activities that could and should be done by private businesses.

Recently, a report released by the Commission on the Roles and Missions of the Armed Forces, known as the White Commission, stated that in the Department of Defense ''at least 250,000 civilian employees are performing commercial-type activities that do not need to be performed by governmental personnel.''

The Commission went on to say that they ''recommend that the Government in general, and the Department of Defense in particular, return to the basic principle that the Government should not compete with its citizens.''

That principle is what we are trying to put into law with this amendment.

This amendment is the right thing to do. More than $3 billion per year could be saved without cutting services or hurting national defense.

It is needed because the experience of the past 40 years has shown that without specific instructions from Congress, agencies will not take this action on their own.

The amendment requires the Secretary to review commercial activities now being performed by DOD and make a report to Congress by April 15 of next year.

The report will include a schedule for moving commercial activities to the private sector, or give reasons why certain activities should not be performed outside the Department of Defense.

When we look for ways to cut the size of Government, we should look first at those activities which can be done by the private sector.

It is particularly appropriate that we adopt this amendment this week, since some 2,000 small business owners are meeting here in Washington for the White House Conference on Small Business. When this meeting of America's small business men and women last met in 1986, one of their top issues was the importance of contracting out. Now, almost a decade later, contracting out is still one of their top priorities.

There is no reason why the Federal Government should operate golf courses and recreational facilities when those services can be done by private business. There is no reason for Federal employees to design roads and buildings when there are architecture-engineer firms that can do this work.

There is no reason for agencies to operate motor pools when maintenance of cars can be done by private contractors.

There is no reason for taxpayers to pay the salaries of Federal employees to operate cafeterias, perform janitorial services, paint, print, do electrical work, operate testing labs, and engage in scores of other activities that can be done by the small businesses.

This amendment will begin to eliminate government competition with private businesses and create a government that works better and costs less. It is time to give back DOD's commercial activities to the private sector. It is the right thing to do. It is what America's small businesses need to survive. It is what we are doing with this common sense amendment today.

I urge a ''yes'' vote from my colleagues on this en bloc amendment.

Ms. FURSE. Mr. Chairman, on of the major reasons I am voting against this en bloc amendment because of the inclusion of a very troubling amendment by Representative HOKE. This provision directs the Secretary of Defense not to implement any reduction in strategic nuclear forces called for in the START II Treaty unless and until the treaty enters into force.

Mr. Chairman, the cold war is over and everyone else has figured it out. An April nationwide poll shows that 82.3 percent of Americans believe that the United States and Russia should agree to negotiate deep reductions in their nuclear weapons arsenals. This amendment flies in the face of the desire for those reductions. The current practice is that as long as the Russians are dismantling their weapons, we continue to do so as well. I see no reason to stop that practice.

Following last fall's conclusion of the Nuclear Posture Review, Secretary of Defense Perry advocated a policy he called leading and hedging, explaining by saying, ''By leading I mean providing the leadership for further and continuing reductions in nuclear weapons, so that we can get the benefit of the savings that would be achieved by that. At the same time, we also want to hedge, hedge against the reversal of reform in Russia . . . We do not believe that reversal is likely, and we are working with Russia to minimize the risk of it occurring.''

If we were to actually honor the provisions of Representative HOKE's sense-of-Congress amendment and keep all our unclear weapons, it could require the additional expenditure of hundreds of millions of dollars a year. These funds would be required for such activities as maintaining more B–52 bombers and the possible purchase of additional D–5 missiles for *Trident* submarines.

Mr. Chairman, in this post-cold-war era, we have more important things to do than continue to maintain ridiculously high levels of nuclear weapons. I hope that the other body does not adopt this provision.

Mr. EVERETT. Mr. Chairman, I rise in support of this en bloc amendment package, which includes my amendment that would prohibit the Army from consolidating the Aviation Technical Test Center [ATTC] to any other facility until the Institute for Defense Analyses has completed an independent review of an Army proposal to transfer the ATTC from Fort. Rucker and Edwards AFB to Yuma Proving Ground.

I want to make it perfectly clear that this is not a base closure issue. This proposal has been brewing within the Army's Test & Evaluation Command for more than 2 years, and in my opinion, is based on a flawed and incomplete analysis with a predetermined outcome.

Last year, the House-passed defense authorization bill contained report language requiring the Army to submit a report to Congress which substantiates their interest in moving the ATTC to Yuma. To date, we have not received such a report.

Mr. Chairman, I would not be here questioning the Army's motives unless I thought this proposal was ill conceived. The idea of recreating the aviation testing operation at considerable expense, and moving it from one location to another just doesn't pass the commonsense test. This amendment gives both the Army and the Congress the opportunity to review this proposal from an independent source. This is a prudent course of action for

the House to make, and I urge my colleagues to support the amendment.

CONSOLIDATION OF THE ARMY'S AVIATION TECHNICAL TEST CENTER

The Army's Test & Evaluation Command has submitted a proposal to the Secretary of the Army to consolidate the Aviation Technical Test Center, currently located at Fort Rucker, AL and Edwards AFB, CA, at Yuma Proving Ground [YPG], AZ. In order to accommodate this consolidation at YPG, substantial infrastructure—$10 million—and logistics investments will be necessary. In the best of circumstances, the funding for these infrastructure investments are not planned by the Army until fiscal year 1998, which is well after the planned October 1996 stand-up date at Yuma. The Army has failed to adequately address the following concerns:

Enhanced synergy of Army aviation at Fort Rucker.

The vast pool of pilots and aircraft from the training center allows ATTC to meet any testing demand without additional cost.

Large maintenance, logistics, and supply facility at Fort Rucker enables ATTC to keep aircraft flying consistently and inexpensively—this would need to be refabricated at Yuma. The parts inventory alone could cost as much as $1.6 million.

The $10 million needed for hangar and maintenance facilities at Yuma will not be requested until fiscal year 1998, the workarounds to leave these aircraft in the open, exposed to the harsh desert climate, seem short-sighted and ill advised.

Of the 97 tests conducted by ATTC, only 2 required the Yuma range, 1993; last two armament tests were conducted at China Lake and Eglin.

Armament and aviation testing trends are moving toward computer-simulated tests, rather than live-fire tests.

Mr. KIM. Mr. Chairman, I rise today in strong support of the Duncan amendment to H.R. 1530 which will require the Secretary of Defense to make more extensive use of the private sector to obtain necessary products and services. I believe it is time this Government take a good look at how the private sector can help save taxpayer dollars by allowing for a more open and fair competitive buying process. We can no longer afford to pay $500 for a hammer which could have been purchased in an open market for $5.99 at a local hardware store.

The Duncan amendment will go beyond addressing this Government's buying practices however. It will also rectify an important concern that I have with respect to the Department of Defense's apparent efforts to transfer a significant amount of maintenance and repair work away from capable and efficient private contractors to military depot installations. Specifically, recent events have convinced me that the Department of Defense is actively looking for ways to shore up its own depot facilities, even though the functions they preform can be done as effectively, at lower cost, by private business.

A stark example of this problem is the case of Loud Engineering and Manufacturing, Inc., a small business in my district. This independent business could be a vibrant contributor to the C–130 maintenance and repair effort. Yet, DOD consistently gives such work to its own depots or to foreign contractors in Canada, even though Loud could do the work for a competitive price. My attempts to get a straight answer from the DOD, as to why its own depots and Canadian firms get this business have been frustrating. I am concerned that such policies perpetuate the decline in our own military infrastructure and results in the loss of jobs in California—which needs such work at this time of continued recession. How can we continue to keep a dependable private-sector military-industrial base if it is not given a chance to compete for such contracts?

Unfortunately, Loud Engineering is not the only business being cast aside by the DOD. The repair and maintenance work for F404 engines, currently being done by General Electric Services in Ontario, and the transfer of the MC–130E Combat Talon I program workload, currently being done by Lockheed-Martin, are two other examples of DOD's efforts to hamper private sector involvement in defense contracts. The Department of Defense has proposed to transfer these functions to the Naval aviation depot in Jacksonville, FL and to the depot at Warner Robins Air Logistics Center [WR–ALC], respectively. I believe these efforts are unnecessary because these contractors have repeatedly received high praise by the DOD itself, which raises legitimate questions as to why such functions are being transferred expect to justify the continued operations of these depots.

While I am concerned about these specific cases, I believe the Duncan amendment will go a long way toward ensuring that DOD works, in accordance with congressional intent, toward providing our own defense industry suppliers with a fair and open chance at obtaining valuable contracts that promote job growth and our national security interests. It is with that in mind that I support the Duncan amendment and I call on all of my colleagues to vote in support of American businesses by passing this important amendment to H.R. 1530.

Mr. MOAKLEY. Mr. Chairman, I rise today to urge my colleagues on both sides of the aisle to support an amendment I am offering to the Defense authorization bill. I would first like to take a moment to thank both the Members and the staff of the Subcommittee on Military Personnel for working with me and coming up with language that was acceptable to all sides. My amendment is a sense of Congress that recognizes how invaluable the Uniformed Service Treatment Facilities [USTF's] have been to the 120,000 military retirees who utilize the health care provided at these facilities. My amendment also states that although USTF's will now be subject to the Federal acquisition regulation [FAR], USTF's should not be terminated for convenience by the DOD before their current participation agreements with the DOD expire.

Since the creation of the USTF program, many of my colleagues from both parties have recognized the importance of this program to their constituents. USTF's are unique and have been able to implement innovative, cost-effective ways to provide health care to DOD beneficiaries.

Unfortunately, in the past there have been those at the DOD who have not shared my enthusiasm for USTF's. For whatever reason, there have been people at the DOD who have tried to put insurmountable hurdles in front of the USTF's to try to make it impossible for the USTF's to continue to operate. My amendment clarifies this. I am pleased that the National Security Committee has acknowledged the USTF's and intends to make them a permanent program by including them in the TRICARE system. I know my constituents who utilize Brighton, ME, which is a USTF in the Boston area that I represent, would be quite upset if they thought the DOD could close their medical center. My amendment gives Brighton, ME and the other USTF's around the country that assurance. Mr. Chairman, don't we owe at least that much to the fine American men and women and their families who have served this country so well? I think so, and I urge my colleagues to support my amendment.

Mr. DELLUMS. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendments en bloc offered by the gentleman from South Carolina [Mr. SPENCE].

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

RECORDED VOTE

Mr. HUNTER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 411, noes 14, not voting 9, as follows:

[Roll No. 383]

AYES—411

Abercrombie	Chambliss	Evans
Ackerman	Chenoweth	Everett
Allard	Christensen	Ewing
Andrews	Chrysler	Farr
Archer	Clay	Fattah
Armey	Clayton	Fawell
Bachus	Clement	Fazio
Baesler	Clinger	Fields (LA)
Baker (CA)	Clyburn	Fields (TX)
Baker (LA)	Coble	Flanagan
Baldacci	Coburn	Foglietta
Ballenger	Coleman	Foley
Barcia	Collins (GA)	Forbes
Barr	Collins (IL)	Ford
Barrett (NE)	Collins (MI)	Fowler
Barrett (WI)	Combest	Fox
Bartlett	Condit	Franks (CT)
Barton	Cooley	Franks (NJ)
Bass	Costello	Frelinghuysen
Bateman	Cox	Frisa
Bentsen	Coyne	Frost
Bereuter	Cramer	Funderburk
Berman	Crane	Gallegly
Bevill	Crapo	Ganske
Bilbray	Cremeans	Gejdenson
Bilirakis	Cubin	Gekas
Bishop	Cunningham	Gephardt
Bliley	Danner	Geren
Blute	Davis	Gibbons
Boehlert	de la Garza	Gilchrest
Boehner	Deal	Gillmor
Bonilla	DeLauro	Gilman
Bonior	DeLay	Gonzalez
Bono	Dellums	Goodlatte
Borski	Deutsch	Goodling
Boucher	Diaz-Balart	Gordon
Brewster	Dicks	Goss
Browder	Dingell	Graham
Brown (CA)	Dixon	Green
Brown (FL)	Doggett	Greenwood
Brown (OH)	Dooley	Gunderson
Brownback	Doolittle	Gutierrez
Bryant (TN)	Dornan	Gutknecht
Bryant (TX)	Doyle	Hall (OH)
Bunn	Dreier	Hall (TX)
Bunning	Duncan	Hamilton
Burr	Dunn	Hancock
Burton	Durbin	Hansen
Buyer	Edwards	Harman
Callahan	Ehlers	Hastert
Calvert	Ehrlich	Hastings (FL)
Camp	Emerson	Hastings (WA)
Canady	Engel	Hayes
Castle	English	Hayworth
Chabot	Ensign	Hefley

Hefner	McIntosh	Scarborough
Heineman	McKinney	Schaefer
Herger	Meehan	Schiff
Hilleary	Meek	Schroeder
Hilliard	Menendez	Schumer
Hinchey	Metcalf	Scott
Hobson	Meyers	Seastrand
Hoekstra	Mfume	Sensenbrenner
Hoke	Mica	Serrano
Holden	Miller (FL)	Shadegg
Horn	Mineta	Shaw
Hostettler	Minge	Shays
Houghton	Mink	Shuster
Hoyer	Moakley	Sisisky
Hunter	Molinari	Skaggs
Hutchinson	Mollohan	Skeen
Hyde	Montgomery	Skelton
Inglis	Moorhead	Slaughter
Istook	Moran	Smith (MI)
Jackson-Lee	Morella	Smith (NJ)
Jacobs	Murtha	Smith (TX)
Jefferson	Myers	Smith (WA)
Johnson (CT)	Neal	Solomon
Johnson (SD)	Nethercutt	Souder
Johnson, E. B.	Neumann	Spence
Johnson, Sam	Ney	Spratt
Johnston	Norwood	Stark
Jones	Nussle	Stearns
Kanjorski	Oberstar	Stenholm
Kaptur	Obey	Stokes
Kasich	Olver	Studds
Kelly	Ortiz	Stump
Kennedy (MA)	Orton	Stupak
Kennedy (RI)	Owens	Talent
Kennelly	Oxley	Tanner
Kildee	Packard	Tate
Kim	Pallone	Tauzin
King	Parker	Taylor (MS)
Kingston	Pastor	Taylor (NC)
Klink	Paxon	Tejeda
Klug	Payne (NJ)	Thomas
Knollenberg	Payne (VA)	Thompson
Kolbe	Pelosi	Thornberry
LaFalce	Peterson (FL)	Thurman
Lantos	Peterson (MN)	Tiahrt
Largent	Petri	Torkildsen
Latham	Pickett	Torres
LaTourette	Pombo	Torricelli
Laughlin	Pomeroy	Towns
Lazio	Porter	Traficant
Leach	Portman	Tucker
Levin	Poshard	Upton
Lewis (CA)	Pryce	Velazquez
Lewis (GA)	Quillen	Vento
Lewis (KY)	Quinn	Visclosky
Lightfoot	Radanovich	Volkmer
Lincoln	Rahall	Vucanovich
Linder	Ramstad	Waldholtz
Lipinski	Rangel	Walker
Livingston	Reed	Walsh
LoBiondo	Regula	Wamp
Lofgren	Reynolds	Ward
Longley	Richardson	Waters
Lowey	Riggs	Watt (NC)
Lucas	Rivers	Watts (OK)
Luther	Roberts	Waxman
Maloney	Roemer	Weldon (FL)
Manton	Rogers	Weldon (PA)
Manzullo	Rohrabacher	Weller
Markey	Ros-Lehtinen	White
Martinez	Rose	Whitfield
Martini	Roth	Wicker
Mascara	Roukema	Williams
Matsui	Roybal-Allard	Wilson
McCarthy	Royce	Wise
McCollum	Rush	Wolf
McCrery	Sabo	Woolsey
McDade	Salmon	Wyden
McDermott	Sanders	Wynn
McHale	Sanford	Young (FL)
McHugh	Sawyer	Zeliff
McInnis	Saxton	Zimmer

NOES—14

Becerra	Eshoo	Miller (CA)
Beilenson	Filner	Myrick
Cardin	Frank (MA)	Nadler
Conyers	Furse	Stockman
DeFazio	LaHood	

NOT VOTING—9

Chapman	Kleczka	Thornton
Dickey	McKeon	Yates
Flake	McNulty	Young (AK)

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Mr. FILNER and Mr. BEILENSON changed their vote from ''aye'' to ''no''.

Mr. REED changed his vote from ''no'' to ''aye.''

So the amendments en bloc, as modified, were agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Chair understands that the amendments numbered 1, 2, 4, 5, and 26 and printed in part 2 of House Report 104–136 will not be offered.

If there are no further amendments, the question is on the committee amendment in the nature of a substitute, as modified, as amended.

The committee amendment in the nature of a substitute, as modified, as amended, was agreed to.

Mr. SMITH of Michigan. Mr. Chairman, I rise today to thank National Security Chairman SPENCE and Subcommittee Chairman BATEMAN for their support of my amendment regarding the Defense Reutilization and Marketing Service [DRMS] based at the Federal Center in Battle Creek, MI.

In the last several years, DRMS has vastly improved the efficiency of its operations, which involve the reuse and sale of military surplus goods. In the 1994 fiscal year, DRMS increased its revenues by 85 percent and its profits by 11 percent, while cutting its costs by 4 percent. These improvements have continued into the 1995 fiscal year. In fact, the Michigan Legislature recognized and commended the achievements of DRMS in a resolution passed on May 31, 1995.

This week, a provision of H.R. 1530 proposed the total privatization of DRMS, ignoring the fact that some areas of privatization would actually cost taxpayers money. My amendment proceeds with privatization in those areas where savings are likely in DRMS. Fortunately, with the help of many fine people connected with DRMS at Battle Creek, MI, we were able to document the selective privatization program and those areas run by DRMS employees that have, for the first time, started making money.

I would like to take this opportunity to recognize and thank some of those who took leading roles in the effort to amend H.R. 1530. I would like to thank the leaders of DRMS and DLA, Navy Captain Hempson [DRMS] and Admiral Straw [DLA]. I also want to express my appreciation for the support of Dan McGinty, DLA's congressional liaison.

I want to thank the employees of DRMS both for the excellent work they have done and their efforts working with me on this amendment. In particular, I would like to recognize the efforts of Gary Redditt and Angie Disher, the union representatives at DRMS.

Mr. Chairman, our goal is to increase the efficiency of all Department of Defense operations and privatize in those areas where taxpayer dollars can be saved. DRMS is meeting this goal. Similar efforts must be made across the whole Government. Once more, let me say once more to DRMS and its employees, job well done.

Mr. CUNNINGHAM. Mr. Chairman, I rise today to express my appreciation to the distinguished chairman of the committee, Mr. SPENCE, for his understanding of the tremendous pressures which are placed on military families today and the need for programs to assist families in coping with these pressures. I also want to thank and commend my colleague from California, Mr. DELLUMS, for his longstanding support and advocacy for our military families.

In particular, I also want to thank Chairman SPENCE for his leadership for helping to ensure that the necessary funding has been provided to continue a very important program aimed at preventing child and spouse abuse within the military. In fiscal year 1992, Congress appropriated funds to expand the New Parent Support Program [NPSP], a pilot program aimed at preventing child and spouse abuse at Camp Pendleton, CA. That program operated in direct collaboration with the Center of Child Protection at Children's Hospital in San Diego.

Today, the NPSP has been operating at all 18 major Marine bases worldwide for 2 years, reaching the families where child and spouse abuse are most likely to occur. The reports from the Marine Corps, at all levels, indicate the program is operating successfully and that the appropriate families are being reached.

I am also happy to report that in 1994, the Army began the NPSP in direct collaboration with the USMC and Children's Hospital in San Diego. Currently, Army families at 14 installations worldwide are participating in the NPSP and 8 additional sites will be operating by the end of this year.

Advocacy programs of this nature play an integral role in military readiness by ensuring the stability of military families during uncertain times and should receive priority consideration by the leadership of all branches of the services and by the Congress.

Tragically, this pains and disasters of abuse reach families of all branches of the military. A review of existing DOD programs shows that most other programs focus on this problem react to the incident after it occurs. The NPSP is aimed at preventing the abuse and providing family support for families at risk. In light of the Marine Corps and Army programs' continued demonstrated value and success, I would like to continue to work with Chairman SPENCE and the distinguished gentleman from California [Mr. DELLUMS] to ensure that the benefits of this model program reach the risk families in all the branches of the armed services.

Again, I want to recognize the outstanding leadership that Chairman SPENCE has provided in fostering military family advocacy programs. Our service members and their families have two committed and effective champions in both the chairman and ranking member of the National Security Committee.

I look forward to working with the leadership of the committee to provide all military families the tools they deserve to assist them in dealing with stressful and uncertain times.

Mr. REED. Mr. Chairman, it is with regret that I rise in opposition to the bill before us today.

It is regrettable because this is the first time I plan to vote against passage of the defense authorization bill, which establishes our military policies and priorities.

While I support the Congress' desire to bring attention to the importance of military readiness as well as many of their initiatives, I must oppose this supposed prodefense bill because it fails to clearly support the Navy's top priority—the third *Seawolf* submarine.

This bill adds billions for items not requested by the Department of Defense, but

fails to clearly support the third *Seawolf* as requested by the Navy and outlined in the Joint Chiefs of Staff force requirements.

This bill provides some resources aimed at preserving our submarine industrial base, and Chairmen SPENCE and HUNTER have attempted to craft a plan that seeks to maintain two nuclear submarine capable shipyards.

However, in authorizing a level of funding that is close to the Navy's request for the third *Seawolf,* this bill would not direct completion of a new submarine. Instead, the bill would go back and retrofit the second *Seawolf* with a design that is not even yet designed.

In addition, the proposed next class of attack submarines, now known as the new attack submarine, in the bill would be a technology demonstrator or R&D submarine, rather than a militarily capable submarine that meets the Navy's needs.

Moreover, the Navy's new attack sub design and mission underwent an intensive Congressional review last year. It was also subjected to evaluation by an independent group as well as standard Navy and DOD review. But, again the committee bill with good intentions has dramatically altered the Navy's well-thought-out plan.

There is a better submarine plan that unlike many in Washington is uncomplicated and cost-effective—complete the third *Seawolf* and capitalize on the almost $1 billion already invested in the third *Seawolf.*

This option preserves the submarine industrial base. This option uses designs that are completed. This is the option endorsed by the Navy, the Defense Department, the Joint Chiefs force requirements, the Bottom-Up Review, an independent review commission, the Rand Corp., President Clinton, Speaker GINGRICH, and Majority Leader DOLE.

There are also a number of items in this bill that concern me that are not related to submarines. These include the bill's excessive emphasis on a national missile defense or star wars system; the gutting of the bipartisan Nunn-Lugar plan which reduces the nuclear threat by dismantling the weapons of our former Soviet enemies; the prohibition on choice for female soldiers, and the majority's decision to abrogate the ABM Treaty.

In addition, there are some items in this bill that are worthy of support, such as Navy undersea warfare research and procurement. But in the final analysis. the failure to endorse the Navy's attack submarine plan compels me to oppose the bill.

Mr. Chairman, I urge the leadership of the House National Security Committee to reconsider its stance on the Navy's plan for the third *Seawolf* when House and Senate negotiators meet in the coming months. Until this bill reflects the Navy's plan or endorse a more reasonable submarine procurement plan that provides for continued construction at all components of the industrial base, I will be hard pressed to support it.

Mr. ABERCROMBIE. Mr. Chairman, I will vote today for final passage of H.R. 1530, the National Defense Authorization Act for fiscal year 1996 with serious reservations. I strongly support the efforts of the committee in the areas of quality of life improvements for our service members and the provisions which were passed to rebuild the foundation for a vital merchant marine which is essential to our Nation's status as a world power.

However, I am deeply troubled with the direction of the bill's retreat from previous commitments to arms control and nonproliferation of weapons of mass destruction. Even more distressing is the tremendous increase in the defense budget for excess weapons inventory. The authorization today includes over $1.2 billion in adds for the down payment on two more B–2 bombers and increases in the ballistic missile defense accounts. It commits us to initial expenditures on weapons systems which we will never be able to procure in the outyears. Today's excessive expenditures in these areas will only make it harder to allocate funds for the weapon systems and equipment which our troops need to fight and win at the front lines in future conflicts.

Having said that, the bill makes significant strides in its effort to alleviate the severe military family housing problem. Currently, two-thirds of the families living on base are housed in unsuitable quarters. This bill allows for a 5-year pilot program which will allow for creative solutions to replace a huge inventory of military family housing which has been neglected for decades. I am especially pleased with the private-sector financing alternative. In the past, Hawaii has been very successful in its implementation of this type of arrangement to provide for housing. The housing crisis in Hawaii is one that affects the civilian populace as well as military families. Suitable and affordable properties for rent or purchase are few and far between. This new housing initiative will be a great step toward reducing the tremendous strain on the lives of military and civilians in my State and many others with regard to affordable housing.

The committee has also been very supportive of the serious concerns of the Merchant Marine Panel with regard to our diminishing fleet of American-built, American-crewed merchant ships. The provisions in this bill establish a foundation for revitalization of the American merchant fleet. This is a first step, but we must do more.

I implore all Members of the House to stand together on this solidly bipartisan issue and help us to rebuild the American merchant fleet which is so vital to the national defense and economic security of our Nation. We must bring this issue to the forefront and demand a policy which will encourage the revitalization and growth of this industry before we lose it completely to foreign competition. We cannot and must not become dependent on foreign carriers and crews for the strategic sealift needs of our Nation.

On the issue of impact aid, I applaud the committee for taking the initiative to provide for costs of educating the children of military families in local school districts across the Nation. The areas of the Nation which are heavily impacted by the presence of Federal facilities would bear a tremendous burden if this program had not been funded. This program, while not enjoying as high a profile as the many debates on procurement issues, is of extreme importance to our all volunteer military force. Today's service members have put education for their children high on their list of concerns. Our troops must know that we are as concerned about the education of their children as we are of the funding of ballistic missile defenses. There is a direct correlation to the well-being of military families and troop readiness. Everything possible must be done to ensure that these concerns are not pushed aside in the welter of media-hyped and politically charged issues.

The National Guard Civil-Military Cooperative Action Program, which was repealed in this bill, deserves a reexamination in conference. This program enables the National Guard and Reserve to exercise their training in realistic settings while providing valuable assistance to communities across the Nation. It provides training which may not otherwise be available or affordable. This is a dual-benefit program which increases readiness and helps our local communities, rather than foreign communities, receive assistance in health care or infrastructure development. This program provides funding for the military personnel, and the missions performed generally have low or no incremental costs for operations. Congress must act to restore this program for the benefit of the Guard, the Reserve, and our communities.

There is a need for further improvements to this bill. I look forward to working with my colleagues through the conference process to ensure that the final product meets the needs of this Nation for a strong national defense which includes trained and ready Armed Forces, economic security, proper education for all our citizens, and a sound foreign policy that promotes democracy and human rights.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore. (Mr. HAYWORTH) having assumed the chair, Mr. EMERSON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill, (H.R. 1530) providing for consideration of the bill (H.R. 1530) to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 1996, and for other purposes, pursuant to House Resolution 164, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of substitute, as modified, as amended, adopted by the Committee of the Whole?

If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. DELLUMS

Mr. DELLUMS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. DELLUMS. I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. DELLUMS moves to recommit the bill H.R. 1530 to the Committee on National Security with instructions to report the same

back tot he House forthwith with the following amendments:

Page 38, line 18, insert ''(a) IN GENERAL.—'' before ''Of the amounts''.

Page 38, after line 22, insert the following:

(b) NMD REDUCTION.—The amounts provided in subsection (a) and in section 201(4) are each hereby reduced by $100,000,000, to be derived from amounts for the National Missile Defense program.

At the end of title III (page 153, after line 25), insert the following new section:

SEC. 396. DEPARTMENT OF DEFENSE DEPENDENT EDUCATION ASSISTANCE (IMPACT AID) FOR SCHOOL-AGED DEPENDENTS OF CERTAIN MILITARY PERSONNEL.

(a) PROVISION OF DEPENDENT EDUCATION ASSISTANCE (IMPACT AID).—(1) In the case of students described in section 8003(a)(1)(D) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(a)(1)(D)), the Secretary of Defense shall provide funds to local educational agencies that received payments for these students from the Department of Education in fiscal year 1994 or 1995 under the Act of September 30, 1950 (Public Law 874, 81st Congress) or title VIII of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7701 et seq.).

(2) Subject to the availability of appropriations for this purpose, funds shall be paid under this section in fiscal year 1996. However, the Secretary of Defense may use the authority provided by this section only in the event that payments under section 8003 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703) for a fiscal year on behalf of students described in subsection (a)(1)(D) of such section are not made in a total amount equal to at least the level of funding for fiscal year 1995 under such section for such students.

(b) COMPUTATION OF BASIC PAYMENT.—Each local educational agency described in subsection (a) shall be eligible for basic payments, which shall be computed for each year by multiplying—

(1) the amount determined by dividing—

(A) the amount of funds received by the local educational agency in the second preceding fiscal year under this subsection, section 3(b)(3) of the Act of September 30, 1950 (Public Law 874, 81st Congress), or section 8003(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(b)); by

(B) the number of students described in section 8003(a)(1)(D) of such Act in average daily attendance in the second preceding fiscal year; and

(2) the number of such students in average daily attendance of the local educational agency in the fiscal year preceding the fiscal year in which the payment is being made.

(c) COMPUTATION OF DISABILITY PAYMENT.—Each local educational agency described in subsection (a) shall also be eligible for disability payments for students described in section 8003(d)(1)(B) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(d)(1)(B)). The payment required by this subsection shall be computed for each year by multiplying—

(1) the amount determined by dividing—

(A) the amount of funds received by the local educational agency during the second preceding fiscal year under this subsection, section 3(d)(2)(C) of the Act of September 30, 1950 (Public Law 874, 81st Congress), or section 8003(d) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(d)); by

(B) the number of students described in section 8003(d)(1)(B) of such Act in average daily attendance in the second preceding fiscal year; and

(2) the number of such students in average daily attendance of each local educational agency in the fiscal year preceding the fiscal year in which the payment is being made.

(d) HEAVILY IMPACTED ASSISTANCE.—(1) Each local educational agency described in subsection (a) shall also be eligible for heavily impacted assistance if—

(A) the local educational agency—

(i) had an enrollment of students described in subparagraphs (B) and (D) of section 8003(a)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(a)(1)) during the previous fiscal year, the number of which constituted at least 40 percent of the total student enrollment of such agency; and

(ii) has a tax rate for general fund purposes which is at least 95 percent of the average tax rate for general fund purposes of comparable educational agencies in the State; or

(B) the local educational agency—

(i) had an enrollment of students described in subparagraphs (B) and (D) of section 8003(a)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(a)(1)) during the previous fiscal year, the number of which constituted at least 35 percent of the total student enrollment of such agency; and

(ii) has a tax rate for general fund purposes which is at least 125 percent of the average tax rate for general fund purposes of comparable educational agencies in the State.

(2)(A) For each local educational agency described in paragraph (1), payments for each year shall be computed by first determining the greater of—

(i) the average per-pupil expenditure of the State in which the agency is located; or

(ii) the average per-pupil expenditure of all the States.

(B) The Secretary shall next subtract from the amount determined under subparagraph (A) the average amount of State aid per pupil received for that year by each local educational agency described in paragraph (1).

(C) For each local educational agency described in paragraph (1), the Secretary shall multiply the amount determined under subparagraph (B) by the total number of students described in subparagraphs (B) and (D) of section 8003(a)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(a)(1)) in average daily attendance for that year.

(D) Finally, the Secretary shall reduce the amount determined under subparagraph (C) for a local educational agency for a fiscal year by the total amount of—

(i) all payments the local educational agency receives under subsections (b) and (c) for that year; and

(ii) any payments actually received under section 8003 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703) for that year.

(3) Notwithstanding any other provision of this section, a local educational agency that actually receives funds under section 8003(f) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(f)) for a fiscal year shall be eligible to receive funds under this subsection only after the full amount computed under paragraph (2) has been paid to all local educational agencies described in paragraph (1) that do not receive funds under such section for that fiscal year.

(4) For purposes of providing assistance under this subsection, the Secretary shall use student and revenue data from the local educational agency for the fiscal year for which the agency is applying for assistance.

(5) For purposes of this subsection, the Secretary shall determine the current year State average per-pupil expenditure by increasing or decreasing the per-pupil expenditure data for the second preceding fiscal year by the same percentage increase or decrease reflected between the per-pupil expenditure data for the fourth preceding fiscal year and the per-pupil expenditure data for the second preceding fiscal year.

(6) For purposes of this subsection, the term ''average per-pupil expenditure'' means the aggregate current expenditures of all local educational agencies in the State, divided by the total number of children in average daily attendance for whom such agencies provided free public education.

(e) PROHIBITION ON MULTIPLE PAYMENTS.—(1) Amounts received by a local educational agency under subsection (d) in a fiscal year, when added to amounts actually received under section 8003(f) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(f)) for that year, may not exceed the amount the agency would have received under such section had assistance under such section been fully funded.

(2) Amounts received by a local educational agency under subsection (c) in a fiscal year, when added to amounts actually received under section 8003(d) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(d)) for that year, may not exceed the amount the agency would have received under such section had assistance under such section been fully funded.

(3) Amounts received by a local educational agency under subsection (b) in a fiscal year, when added to amounts actually received under section 8003(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(b)) for that year, may not exceed the amount the agency would have received under such section had assistance under such section been fully funded.

(f) PRORATION OF AMOUNTS.—If necessary due to insufficient funds to carry out this section, the Secretary shall ratably reduce payments under subsections (b), (c), and (d).

(g) COOPERATION.—The Secretary of Education shall assist the Secretary of Defense in gathering such information from the local education agencies and State educational agencies as may be needed in order to carry out this section.

(h) FUNDS FOR FISCAL YEAR 1996.—The amount provided in section 301(5) for operation and maintenance for Defense-wide activities is hereby increased by $100,000,000. Of the funds corresponding to such increase—

(1) $50,000,000 shall be available for payments under subsection (b) in fiscal year 1996;

(2) $10,000,000 shall be available for payments under subsection (c) in fiscal year 1996; and

(3) $40,000,000 shall be available for payments under subsection (d) in fiscal year 1996.

Mr. DELLUMS (during the reading). Mr. Chairman, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

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

There was no objection.

The SPEAKER pro tempore. The gentleman from California [Mr. DELLUMS] is recognized for 5 minutes in support of his motion to recommit.

Mr. DELLUMS. Mr. Chairman, I ask unanimous consent to allow my distinguished colleague, the gentleman from Texas [Mr. EDWARDS], to control the 5 minutes that are authorized to this gentleman.

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

There was no objection.

Mr. EDWARDS. Mr. Speaker, just for a moment I would like the Members to

imagine what it is like to be a child of a military family. For just a moment, Members, imagine being 8 years old and wondering why your mother cannot attend school functions because she has been deployed to a place called Somalia.

Imagine being a 10-year-old and not seeing your father for 6 to 12 months because he is serving our Nation in Korea. Imagine being a 12-year-old boy, and wondering why dad can seldom come to your little league games. Imagine being a 14-year-old daughter and wondering whether your father or mother in uniform will even be alive to come to your high school graduation. Sadly, many never do.

Members, it does not take imagination to realize the sacrifices of our military children. Those sacrifices are real. Military children are the unheralded partners, the unsung heroes, the young patriots in our fight for a strong national defense. How can we adequately say thank you for the sacrifices of our military children? How can we adequately express our sorrow to the child whose father or mother died in service to our Nation?

The answer is we cannot. We cannot replace the time spent away from one's parent. We cannot replace the father or mother that will never know his small child, but there is one thing today that you and I can do, one thing we must do for our military children. We must say to them that if their parents are willing to fight and die for our country, our country, you and I, accept the responsibility to see that they, the children, receive a quality education. That is the least this Congress can do. To do any less would be wrong.

For this Congress to gut education funding for military children would not only be wrong, it would be terribly unfair and immoral. To gut education funding for our military children would send an uncaring message to the young parents serving in our Nation's Armed Forces. To say to a soldier that ''While you are serving in Korea or in Europe or some other faraway land, that we in Congress will be gutting your children's education back home'' would be a slap in the face to every father, to every mother proudly wearing our Nation's uniform. Such a callous act would hurt our military morale, retention, and readiness.

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Mr. Speaker, our service men and women love our Nation but they love their children, too. To force them to choose between serving their country and caring for their children's education would be unconscionable. Yet that is exactly what this Congress is doing.

The Committee on the Budget and every Republican on it voted to zero out $120 million in impact aid funding that the Department of Education for years has provided for military children whose parents are living next to a military base. That money goes to the military children's schools to help make up for lost school revenues due to commissary sales that are not taxed or lost income taxes from military families. Many of those districts are already taxing their school districts at the maximum allowable rate.

With the sincere and dedicated leadership of the gentleman from Virginia [Mr. BATEMAN] and a bipartisan effort, the Committee on National Security did vote to spend $58 million in DOD money for impact aid. Our military families owe Chairman BATEMAN a debt of gratitude.

I regret, though, that 12 Members of our Committee on National Security on the Republican side voted against even that funding for education for our military children and their families. Fifty-eight million dollars is a positive step forward for our children's education, but cutting education funding for those special children by 50 percent is simply not right. Those children deserve more than a half a loaf.

Mr. Speaker, this motion to recommit would take $100 million out of the $450 million added on for national missile defense and have that money used to support our children. If in conference committee we can find another source to help provide present-day funding for impact aid, that is fine with me. But we need to set the standard and make the commitment right here and right now, today.

Surely, in a $267 billion defense budget that was added up by $9.7 billion, we can find $100 million to say to our children in the military and their families, ''We are committing to see that you get a good education.''

Members, this should not be a partisan vote. Let Republicans and Democrats alike show our military families we care about them and we care about their children. Vote for this motion to recommit.

The SPEAKER pro tempore (Mr. HAYWORTH). The Chair recognizes the gentleman from South Carolina [Mr. SPENCE].

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

Mr. SPENCE. Mr. Chairman, we all know what recommit motions are and the reason for them.

In this particular motion to recommit, I strongly oppose it on behalf of the committee. There was consideration of this matter in the committee. The gentleman was accommodated.

The other committees in this Congress are doing something to help in impact aid. I myself personally am a big supporter of impact aid. My district depends on it, and it is not a matter of impact aid or not, it is just the wrong way to do it.

Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. GOODLING], the chairman of the Committee on Economic and Educational Opportunities.

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

Mr. GOODLING. Mr. Speaker, first of all I must say following the first part of that speech is very, very difficult. The second part, of course, was partisan, but the first part was very difficult to follow.

But I would please ask you not to legislate on a motion to recommit on something as complicated as impact aid. We will guarantee you as a committee that we will take up this issue.

At the present time, we have $631 million as current funding. That is for children whose parents live and work on Federal property, children whose military families do not live on a base, and for low-income housing. You have added $58 million extra in this particular piece of legislation.

I would encourage you, let us do it through the authorizing process so that we do not open any loopholes, that we do not make changes that we are going to wish we had not made. Let us do it through the proper channels.

Mr. SPENCE. Mr. Speaker, I yield to the gentleman from Texas [Mr. ARMEY], the distinguished majority leader.

Mr. ARMEY. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, this is the 11th year in which I have watched this Congress do a defense authorization bill. I think we must all agree that in all this time, never have we brought a defense authorization bill to the floor and moved it so smoothly and so congenially through the House in such a short period of time.

Mr. Speaker, I would like to commend both the gentleman from South Carolina [Mr. SPENCE], the chairman of the committee, and the gentleman from California [Mr. DELLUMS], the ranking member of the committee, and all the members of the committee for the collegiality they have shown on their committee, both in the committee room and on the floor, in respect to this bill and this legislation. Rarely do we have an opportunity to see a bill as complex as this come to a complete work on the floor ahead of schedule, and I think both of these two gentlemen deserve our appreciation along with the other members of the committee.

Mr. Speaker, I would like to commend the gentleman from Texas [Mr. EDWARDS] for his motion to recommit. I understand the sincerity with which he offers it. It is a serious matter, one that we all have a concern about, and the children, of course, of our military men and women are important to us. Their education is important to us.

I appreciate the fact that the gentleman from Texas [Mr. EDWARDS] brings that before the body, and I appreciate also the expression of commitment that is made by the gentleman from Pennsylvania [Mr. GOODLING], the chairman of the Committee on Economic and Educational Opportunities. These children will not be left behind. These children's education will not be neglected. We need not concern ourselves about that.

I would recommend to my colleagues that we have a good piece of work here. It is a good bill. It is respectful of the children's future, both with respect to their education and their national security, and I encourage all my colleagues, vote no on this motion to recommit and vote yes on the bill and have a good sense of understanding that we have done our duty within the confines of our budget to keep our children safe and secure and well-educated.

PARLIAMENTARY INQUIRIES

Mr. TAYLOR of Mississippi. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. TAYLOR of Mississippi. Mr. Speaker, if my memory serves me correctly, one of the very first measures to pass this body——

Mr. SOLOMON. Regular order. That is not a proper parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. TAYLOR of Mississippi. Mr. Speaker, one of the first measures to pass the body this year was a bill doing away with unfunded Federal mandates. If we are going to require local school districts like Biloxi, MS, to educate children on these bases as we do, and we are going to cut the funds we give to communities like Biloxi, MS, to educate these children, does this not then become an unfunded Federal mandate?

The SPEAKER pro tempore. The gentleman is not stating a proper parliamentary inquiry.

Mr. TAYLOR of Mississippi. I am asking a question, sir. It is a parliamentary inquiry. Did we pass the bill?

The SPEAKER pro tempore. The gentleman is not stating a proper parliamentary inquiry.

Mr. TAYLOR of Mississippi. Mr. Speaker, did that bill become law?

The SPEAKER pro tempore. The gentleman from Mississippi will suspend. The gentleman did not state a proper parliamentary inquiry.

Mr. OBEY. Would the Chair yield for another parliamentary inquiry?

The SPEAKER pro tempore. The gentleman from Wisconsin will state his parliamentary inquiry.

Mr. OBEY. Mr. Speaker, if this motion before us is not passed, how does the authorizing committee, which does not appropriate a dime, assure us that impact aid will not be cut, since the Committee on Appropriations is most certainly going to have to cut it substantially?

The SPEAKER pro tempore. The gentleman is not stating a parliamentary inquiry.

Mr. KENNEDY of Rhode Island. Mr. Speaker, I rise today in support of the motion to recommit.

H.R. 1530 while it restores funding for heavily impacted school districts in the Impact Aid Program, ignores the special needs of those children classified as "B" students.

In my State of Rhode Island it is the "B" student who will suffer most without this funding. Last year, the public schools of Newport and Portsmouth received nearly $330,000 in funding for these children.

Without this funding, over 3,500 Rhode Island "B" students will receive less than an adequate education and be left unprepared and undefended in the harsh climate of the new global economy. This is a cost America simply cannot bear.

I support the motion to recommit so we may pass a bill that fully funds Impact Aid and supports the future of America's children.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. DELLUMS. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 188, noes 239, not voting 7, as follows:

[Roll No. 384]

AYES—188

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bishop
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Christensen
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson-Lee
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Matsui
McCarthy
McDermott
McHale
McKinney
Meehan
Meek
Menendez
Mfume
Miller (CA)
Mineta
Minge
Mink
Moakley
Montgomery
Moran
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Porter
Poshard
Rahall
Rangel
Reed
Reynolds
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Taylor (MS)
Tejeda
Thompson
Thurman
Torres
Torricelli
Towns
Traficant
Tucker
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wise
Woolsey
Wyden
Wynn

NOES—239

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bevill
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chenoweth
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kanjorski
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
Mascara
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Mollohan
Moorhead
Morella
Murtha
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Petri
Pombo
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—7

Chapman
Dickey
Flake
Kleczka
McNulty
Thornton
Yates

□ 1513

Mr. MASCARA changed his vote from ''aye'' to ''no.''

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. HAYWORTH). The question is on the passage of the bill.

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

RECORDED VOTE

Mr. WELDON of Pennsylvania. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 300, noes 126, not voting 8, as follows:

[Roll No. 385]

AYES—300

Abercrombie	Diaz-Balart	Jackson-Lee
Ackerman	Dicks	Jefferson
Allard	Dixon	Johnson (CT)
Andrews	Dooley	Johnson, E. B.
Archer	Doolittle	Johnson, Sam
Armey	Dornan	Jones
Bachus	Dreier	Kaptur
Baesler	Dunn	Kasich
Baker (CA)	Edwards	Kelly
Baker (LA)	Ehlers	Kennedy (RI)
Baldacci	Ehrlich	Kennelly
Ballenger	Emerson	Kildee
Barcia	Ensign	Kim
Barr	Everett	King
Barrett (NE)	Ewing	Kingston
Bartlett	Fawell	Knollenberg
Barton	Fazio	Kolbe
Bass	Fields (TX)	LaHood
Bateman	Flanagan	Lantos
Bentsen	Foley	Largent
Bereuter	Forbes	Latham
Bevill	Fowler	LaTourette
Bilbray	Fox	Laughlin
Bilirakis	Franks (CT)	Lazio
Bishop	Frelinghuysen	Leach
Bliley	Frisa	Lewis (CA)
Blute	Frost	Lewis (KY)
Boehlert	Funderburk	Lightfoot
Boehner	Gallegly	Linder
Bonilla	Gejdenson	Lipinski
Bono	Gekas	Livingston
Boucher	Gephardt	LoBiondo
Brewster	Geren	Longley
Browder	Gibbons	Lucas
Brown (FL)	Gilchrest	Manton
Brownback	Gillmor	Manzullo
Bryant (TN)	Gilman	Matsui
Bunn	Gonzalez	McCollum
Bunning	Goodlatte	McCrery
Burr	Goodling	McDade
Burton	Gordon	McHale
Buyer	Goss	McHugh
Callahan	Graham	McInnis
Calvert	Green	McIntosh
Camp	Greenwood	McKeon
Canady	Gutknecht	Meek
Castle	Hall (OH)	Metcalf
Chabot	Hall (TX)	Meyers
Chambliss	Hamilton	Mica
Chenoweth	Hancock	Miller (FL)
Christensen	Hansen	Mink
Chrysler	Harman	Molinari
Clement	Hastert	Mollohan
Clinger	Hastings (WA)	Montgomery
Coble	Hayes	Moorhead
Coburn	Hayworth	Moran
Coleman	Hefley	Murtha
Collins (GA)	Hefner	Myers
Combest	Heineman	Myrick
Condit	Herger	Nethercutt
Cooley	Hilleary	Neumann
Costello	Hobson	Ney
Cox	Hoekstra	Norwood
Cramer	Hoke	Nussle
Crane	Holden	Ortiz
Crapo	Horn	Orton
Cremeans	Hostettler	Oxley
Cubin	Houghton	Packard
Cunningham	Hoyer	Parker
Davis	Hunter	Pastor
de la Garza	Hutchinson	Paxon
Deal	Hyde	Payne (VA)
DeLauro	Inglis	Peterson (FL)
DeLay	Istook	Pickett
Pombo	Shadegg	Thornberry
Porter	Shaw	Thurman
Portman	Shuster	Tiahrt
Poshard	Sisisky	Torkildsen
Pryce	Skeen	Torres
Quillen	Skelton	Traficant
Quinn	Smith (MI)	Tucker
Radanovich	Smith (NJ)	Upton
Regula	Smith (TX)	Visclosky
Richardson	Smith (WA)	Vucanovich
Riggs	Solomon	Waldholtz
Roberts	Souder	Walker
Rogers	Spence	Walsh
Rohrabacher	Spratt	Wamp
Ros-Lehtinen	Stearns	Watts (OK)
Rose	Stenholm	Weldon (FL)
Royce	Stockman	Weldon (PA)
Salmon	Stump	Weller
Sanford	Talent	White
Sawyer	Tanner	Whitfield
Saxton	Tate	Wicker
Scarborough	Tauzin	Wilson
Schaefer	Taylor (MS)	Wolf
Schiff	Taylor (NC)	Young (AK)
Scott	Tejeda	Young (FL)
Seastrand	Thomas	Zeliff

NOES—126

Barrett (WI)	Hilliard	Petri
Becerra	Hinchey	Pomeroy
Beilenson	Jacobs	Rahall
Berman	Johnson (SD)	Ramstad
Bonior	Johnston	Rangel
Borski	Kanjorski	Reed
Brown (CA)	Kennedy (MA)	Reynolds
Brown (OH)	Klink	Rivers
Bryant (TX)	Klug	Roemer
Cardin	LaFalce	Roth
Clay	Levin	Roukema
Clayton	Lewis (GA)	Roybal-Allard
Clyburn	Lincoln	Rush
Collins (IL)	Lofgren	Sabo
Collins (MI)	Lowey	Sanders
Coyne	Luther	Schroeder
Danner	Maloney	Schumer
DeFazio	Markey	Sensenbrenner
Dellums	Martinez	Serrano
Deutsch	Martini	Shays
Dingell	Mascara	Skaggs
Doggett	McCarthy	Slaughter
Doyle	McDermott	Stark
Duncan	McKinney	Stokes
Durbin	Meehan	Studds
Engel	Menendez	Stupak
English	Mfume	Thompson
Eshoo	Miller (CA)	Torricelli
Evans	Mineta	Towns
Farr	Minge	Velazquez
Fattah	Moakley	Vento
Fields (LA)	Morella	Volkmer
Filner	Nadler	Ward
Foglietta	Neal	Waters
Ford	Oberstar	Watt (NC)
Frank (MA)	Obey	Waxman
Franks (NJ)	Olver	Williams
Furse	Owens	Wise
Ganske	Pallone	Woolsey
Gunderson	Payne (NJ)	Wyden
Gutierrez	Pelosi	Wynn
Hastings (FL)	Peterson (MN)	Zimmer

NOT VOTING—8

Chapman	Flake	Thornton
Conyers	Kleczka	Yates
Dickey	McNulty	

☐ 1532

The Clerk announced the following pair:

On this vote:

Mr. McNulty for, with Mr. Yates against.

Mr. SCHUMER changed his vote from ''aye'' to ''no.''

Ms. JACKSON-LEE changed her vote from ''no'' to ''aye.''

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

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

There was no objection.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 1530, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that, in the engrossment of the bill, H.R. 1530, the Clerk be authorized to correct section numbers, punctuation, cross references, and to make such other technical, clerical, and conforming changes as may be necessary to reflect the actions of the House in amending the bill, H.R. 1530.

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

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1817, MILITARY CONSTRUCTION APPROPRIATIONS ACT FOR FISCAL YEAR 1996

Mr. QUILLEN, from the Committee on Rules, submitted a privileged report (Rept. No. 104–140) on the resolution (H. Res. 167) providing for consideration of the bill (H.R. 1817) making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1996, and for other purposes, which was referred to the House Calendar and ordered to be printed.

PERMISSION TO FILE PRIVILEGED REPORT ON BILL MAKING APPROPRIATIONS FOR FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS FOR FISCAL YEAR 1996

Mr. CALLAHAN. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on a bill making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1996, and for other purposes.

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

There was no objection.

REPORT ON H.R. 1854, LEGISLATIVE BRANCH APPROPRIATIONS FOR FISCAL YEAR 1996

Mr. PACKARD, from the Committee on Appropriations, submitted a privileged report (Rept. No. 104–141) on the bill (H.R. 1854) making appropriations for the legislative branch for the fiscal year ending September 30, 1996, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

The SPEAKER pro tempore. All points of order are reserved on the bill.

Mr. VOLKMER. Mr. Speaker, I would like to inquire of the gentleman from California, the chairman of the Subcommittee on Appropriations who just filed a report——

Mr. PACKARD. Mr. Speaker, would the gentleman repeat that please?

Mr. VOLKMER. I just would like to make an inquiry of the gentleman:

It is my understanding that the Committee on Rules on the gentleman's bill is going to require us to file amendments on the bill by noon on Monday.

Mr. PACKARD. That is correct.

Mr. VOLKMER. It is not printed; is it? It is not available to me; is it?

Mr. PACKARD. I would have to refer that to the chairman of the Committee on Rules.

Mr. VOLKMER. I mean the gentleman knows whether the bill is available to me or not.

Mr. PACKARD. The bill is printed. I do not know whether it is official or not, but it is available.

Mr. VOLKMER. With the amendments in it?

Mr. PACKARD. Not with the amendments until noon Monday.

It is available as it was reported out of the full committee. It will be in H–218 in the Capitol.

Mr. VOLKMER. In other words, I have to go there and look at it? I cannot take it back to my office, or my staff cannot, to review it as we always do on legislation?

Mr. PACKARD. We will give the gentleman a copy.

Mr. VOLKMER. Mr. Speaker, I thank the gentleman from California.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1289, THE NEWBORN INFANT HIV NOTIFICATION ACT

Mr. FATTAH. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 1289.

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

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 774

Mr. CALVERT. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor from the bill, H.R. 774.

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

There was no objection.

DESIGNATING TRINITY DAM IN THE CENTRAL VALLEY PROJECT, CA, AS TRINITY LAKE

Mr. DOOLITTLE. Mr. Speaker, I ask unanimous consent for the immediate consideration in the House of the bill (H.R. 1070) to designate the reservoir created by Trinity Dam in the Central Valley project, California, as ''Trinity Lake.''

The Clerk read the title of the bill.

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

Mr. DEFAZIO. Mr. Speaker, reserving the right to object, I yield to the gentleman from California [Mr. DOOLITTLE] to enable him to explain the legislation. We are particularly curious about whether or not Clair Engle was a Democrat and what the underlying reasons are for this change.

Mr. DOOLITTLE. Mr. Speaker, he was a Democrat, and he was considered a water expert in his time, and for that reason this reservoir which the bill seeks to change the name of was named for him. This bill would designate the reservoir created by Trinity Dam in the Central Valley Project in California as Trinity Lake.

Under the provisions of current law the reservoir is currently designated as Clair Engle Lake and, therefore, requires legislation in order for the name to be changed. The problem here is that in the local area everybody refers to this as Trinity Lake except the technical name that appears in the maps is Lake Clair Engle. It casts a lot of confusion, and for that reason the Trinity board of supervisors unanimously passed a resolution in support of changing the name.

In our report accompanying this bill we have asked the bureau to consider an appropriate visitor center that they could name in honor of Clair Engle, who was once chairman of the House Interior Committee and then subsequently became our U.S. Senator from California; we think that would be appropriate, and I would ask that the bill be supported.

Mr. DEFAZIO. Further under my reserved right to object, Mr. Speaker, I find the gentleman's arguments convincing. I do not detect a partisan bias here. I think the naming of a visitor center or other appropriate memorial would be well taken, and I have swum in the lake myself and had no idea of the name of it. I was told I was swimming in Trinity Lake.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the bill, as follows:

H.R. 1070

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF TRINITY LAKE.

(a) DESIGNATION.—The reservoir created by Trinity Dam in the Central Valley project, California, and designated as ''Clair Engle Lake'' by Public Law 88–662 (78 Stat. 1093) is hereby redesignated as ''Trinity Lake''.

(b) REFERENCES.—Any reference in any law, regulation, document, record, map, or other paper of the United States to the reservoir referred to in subsection (a) shall be considered to be a reference to ''Trinity Lake''.

(c) CONFORMING AMENDMENT.—Public Law 88–662 (78 Stat. 1093) is repealed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANNOUNCEMENT OF AMENDMENT PROCESS FOR THE LEGISLATIVE BRANCH APPROPRIATION

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

Mr. SOLOMON. Mr. Speaker, the Rules Committee is planning to meet on Monday, June 19, to grant a rule which may limit the amendments offered to the legislative branch appropriations bill.

Members who wish to offer amendments to the bill should submit 55 copies of their amendments, together with a brief explanation, to the Rules Committee office in H–312 of the Capitol, no later than noon on Monday, June 19.

Amendments should be drafted to the bill as ordered reported by the Appropriations Committee. Copies of the text will be available for examination by Members and staff in the offices of the Appropriations Committee in H–218 of the Capitol.

Members should use the Office of Legislative Counsel to ensure that their amendments are properly drafted and should check with the Office of the Parliamentarian to be certain their amendments comply with the rules of the House.

Any offset amendments should be scored by CBO to ensure compliance with clause 2(f) of rule 21, which requires that they not increase the overall levels of budget authority and outlays in the bill.

If Members or their staff have any questions regarding this procedure, they should contact Bill Crosby of our staff at extension 5–9191.

We appreciate the cooperation of all Members in submitting their amendments by the noon, June 19 deadline in properly drafted form.

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

Mr. SOLOMON. I yield to the gentleman from Missouri.

Mr. VOLKMER. Mr. Speaker, the only reason I asked for this is it is apparent for me that I always prefer a copy of the report and a copy of the bill, and I am suggesting to Members that if they would contact the Appropriations Subcommittee at H–218, I am sure that they can obtain a copy of the subcommittee report—I mean a full

committee report and the bill at that time. They would not have to go down there and just look at it themselves. That was of concern to me, and I think that is available to them.

The other thing that I am very curious about:

This will be the second bill, appropriations bill, to be taken up. We are going to be taking up one tomorrow.

Mr. SOLOMON. That is correct.

Mr. VOLKMER. And that is under a rule; correct?

Mr. SOLOMON. Yes.

Mr. VOLKMER. Are we going to be doing rules on every appropriation bill?

Mr. SOLOMON. If they have to come to the Committee on Rules, as the gentleman knows——

Mr. VOLKMER. No appropriation bill has to go to the Committee on Rules.

Mr. SOLOMON. Well, it does if they contain unauthorized legislation.

Mr. VOLKMER. That is correct.

Mr. SOLOMON. And of course, if that has not been passed by both Houses, then it is going to require a rule. But we intend to make sure that all of it is going to be subject to the authorizing committees; that is important.

Mr. VOLKMER. In other words, if something has passed the House that has been authorized, then the gentleman wants to make sure that it is protected under the rule so it cannot be stricken on a point of order from
the——

Mr. SOLOMON. That is right, such as the defense authorization bill that just passed the House a few moments ago. The military construction bill coming up tomorrow is going to be subject to that, and all of the succeeding bills will be the same thing.

Mr. VOLKMER. Does the gentleman plan to go further in that and protect other things, legislative language and things like that that have not been covered by authorization but that somebody wants to put an appropriation bill because they did not get it in the present law?

Mr. SOLOMON. I would certainly hope not. We want to try to protect the committee system in this Congress. It has worked well for many years, and we do not want to violate the rules of the House. That would be a violation which would be subject to waiver if this body saw fit, but I personally oppose it.

Mr. VOLKMER. Mr. Speaker, I thank the gentleman very much.

Now the other thing, and last thing, I would like to ask the gentleman about:

In the rule for the MILCON, military construction, tomorrow the gentleman from Oklahoma [Mr. BREWSTER] had requested that his amendment be in order. Is that amendment going to be in order?

Mr. SOLOMON. No, we have a completely open rule on the military construction appropriation bill that will be on the floor, and that means that it will be subject to all the rules of the House.

Mr. VOLKMER. So it has to be germane.

Mr. SOLOMON. That require waivers. It also comes under the jurisdiction of the Government Operations Committee and the Committee on the Budget. Hopefully we can deal with those so we do not have to deal with each individual one. That would require waivers of the House, and we did not make any waivers in order for legislating in appropriations bills.

□ 1545

Mr. VOLKMER. Mr. Speaker, I want to thank the gentleman from New York for his explanations. I appreciate the comments.

TRIBUTE TO CARAMOOR

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

Mrs. KELLY. Mr. Speaker, we pay tribute to one of the greatest cultural treasures of my district—the Caramoor Center for Music and the Arts—which is celebrating its 50th anniversary.

The vision for Caramoor began with the combined talents and determination of Walter and Lucie Rosen. Avid collectors of art as well as accomplished musicians, the Rosens often played host to many of New York's most prominent performers and cultural patrons in their Katonah summer home, which was called Caramoor.

After the death of their son in World War II, the Rosen's bequeathed Caramoor ''as a Center for Music and the Arts for the Town of Bedford and the State of New York.''

Caramoor has become a focal point of both the national and international music scenes. Now it is home to an 8-week outdoor music festival.

Under the leadership of Howard Herring and the artistic direction of André Previn, Caramoor has attracted such stars as James Gallway, Barbara Cook, Sylvia McNair, and Yo-Yo Ma, and has served as a launching ground for scores of up and coming performers through its Rising Stars program.

The Caramoor experience is unique in that it allows audiences to convene with nature while enjoying music in its purest form. With the recent additions of the ''Touch Tour'' and the Marjorie Carr Adams ''Sense Circle'' for the visually impaired and the mentally and physically challenged, Caramoor remains committed to ensuring true accessibility for all of its visitors.

Whether strolling through the gardens, picnicking in the orchard, or listening to the harmonies under the stars, Caramoor allows people to lose themselves in the moment. It has often been said that music is food for the soul. In this spirit, Mr. Speaker, may Caramoor continue to provide us with nourishment for yet another 50 years, I would invite you and the rest of the country to join us at Caramoor for an evening of good music and good cheer.

ICWA APPLIED UNFAIRLY

(Ms. PRYCE asked and was given permission to address the House for 1 minute and to revise and extend her remarks, and include extraneous material.)

Ms. PRYCE. Mr. Speaker, when will it stop? Today we have another heart-wrenching front page story of an adoption gone awry.

Nineteen months ago Jim and Colette Rost of Columbus, OH, adopted twin baby girls and have cared for them every day of their young lives.

Yesterday, a judge in California took these girls away from the only family they have ever known and awarded custody to a perfect stranger, the birth grandmother.

The only reason for this is that the girls are 1/32 Pomo Indian and the judge ruled that the Indian Child Welfare Act applies to these children and that tribal rights supercede all other interests.

Mr. Speaker, when are we going to come to our senses?

As an adoptive mother, I can tell you these rulings will have a chilling effect on couples wishing to provide good homes to children through adoption. Who will want to risk the potential heartache and the terrifying prospect that your child might have some far-removed native American heritage and be taken away?

Mr. Speaker, I have introduced legislation to amend the ICWA to prevent these injustices in the future.

I welcome input and advice of the native American community and I ask the support of my colleagues for H.R. 1448, so that future tragedies such as this can be avoided.

Mr. Speaker, I include the following materials:

FEBRUARY 7, 1995.

DEAR REPRESENTATIVE PRYCE: I'm writing to you as a mother looking for help. My family is being threatened by an ''adoption gone bad.'' My husband and I took immediate custody of twin baby girls in California in November of 1993. We were involved in an open adoption where we met the birth mother and birth father. These unmarried birth parents were 20 years old and they already had 2 boys. They made a decision to allow the twins to be adopted because they couldn't give them the attention and care they deserved. Moreover, they felt it would be unfair to their 2 sons that they already had. The birth father at that time did not disclose his Native American background (which turns out to be only 1/16 making the twins 1/32 and had chosen not to tell his parents about the adoption. In February of 1994, when the twins were 3 months old, he broke up with the birth mother, went home to his parents and told them about the adoption. The birth father's mother contacted a tribe in California (that she was not registered with until April 1994) who then contacted the attorney who arranged the adoptions demanding the return of the twins.

This was the first time we knew of his Native American Heritage. Since that time we have been involved in a fight to keep our babies. The twins, Lucy and Bridget are now 15 months old and have been with us since their discharge from the hospital. We have brought them into our family where they have bonded with their big sister Hannah

(age 7½), grandparents, aunts, uncles and cousins on both sides.

They are so precious to us and we live in terror of losing them because of the Indian Child Welfare Act; an act that does not take into consideration the best interest of the child and more or less gives the tribe absolute power.

Please help us in any way you can. We can't become another adoption ''fatality.'' These little girls would go back to a pathological family situation and they would be robbed of the love we would give them.

Sincerely,

COLETTE ROST.

ROST CASE ILLUSTRATES LAW'S RACISM

In a new book titled Life on the Color Line, Gregory Howard Williams, dean of the Ohio State University law school, describes the day—more than 30 years ago—that he learned he was ''really'' black, not white. Greg and his brother were traveling with their father to his family home in Muncie, Ind.—their mother had run off with two younger siblings—when their father explained that the relatives they were going to live with were black.

Greg's father, James, it seems, was the product of a black-white union. While living with his white wife, James had called himself white. Simple arithmetic should have suggested that Greg and his brother were three-quarters white.

But not in the United States of the 1950s. So brutal was the hostility of whites to blacks and so horrified were whites by the concept of racial mixing (miscegenation) that a person with even the smallest amount of Negro heritage was considered entirely black.

And so, at the age of 10, Greg Williams, with Caucasian features and fair skin, began a new life as a black person. As a teen-ager, dating was a trauma. ''Dating for me was . . . like swimming in shark-infested waters,'' he wrote. Whites who ''knew'' that he was black didn't want him to date white girls, while those who didn't know disliked seeing him with black girls.

We've come a long way since the 1950s. Interracial couples are, for the most part, well-accepted among both blacks and whites. And yet, we still tend to think of people in racial terms. When someone's skin color or facial features do not yield an instant category, we want to know what race that person is. We want to know—even if there is no answer.

Must one choose? What if your mother is Asian and your father is half black and half white? Is someone's race so important?

A case now being considered in California suggests that we haven't come as far as we ought since the 1950s.

A couple in Columbus, Ohio, adopted a set of twin girls through an agency in California. Both birth parents, unmarried at the time of the birth, signed all of the relevant paperwork surrendering their rights to the twins. They also signed sworn affidavits, routine in California, to the effect that neither they nor their children (they have two older boys) were members of any Indian tribe. The girls were immediately placed for adoption with Jim and Colette Rost of Columbus.

Six months later, when the Rosts attempted to have the adoption finalized, the agency (which had legal custody) balked. The birth father and his mother (the birth grandmother) were contesting the adoption, claiming now that the children were Indian and thus covered by the Indian Child Welfare Act.

It seems that someone, perhaps the young (age 42) birth grandmother, had decided to search the family records and had come up with something. The twins' parents are not Indian. Their four grandparents are not Indian. Their eight great-grandparents are not Indian. Their 16 great-great-grandparents were not Indian. But one of the twins' great-great-great-grandparents was an Indian. That makes the twins 1/32 Indian, and that, apparently, is enough to trigger the federal law. So ruled a judge in California. The federal law provides that if a child is Indian and the subject of a custody dispute, the birth parents have first claim, the extended family has second claim and the tribe has the final word.

The twins are now 18 months old, and while no final disposition has been made by the judge, they have been ordered to visit with their birth grandmother.

Clearly, this is a case of some unscrupulous white folks gaming the system. But the law permits it. And the law is racist. If one distant Indian ancestor is enough to make you fully Indian, isn't this uncomfortably close to the tainted-blood view of miscegenation from the Jim Crow era—to say nothing of the racial schemes of the old South Africa or Nazi Germany?

Very few of us are ''pure'' members of one race or another. Our ancestors got around. And racial categorization—though slavishly worshiped by the politically correct—is almost always pernicious.

[From the Columbus Dispatch, June 15, 1955]

TWIN GIRLS WILL GO TO BIRTH FAMILY

(By Randall Edwards)

Bridget and Lucy Ruiz, 19-month-old twins who have lived with a Columbus couple since their birth, will be placed in the custody of their biological grandparents in California and will not return to Ohio, a judge in Los Angeles ruled yesterday.

The time and place of the transfer, when Jim and Colette Rost must turn the twins over to grandparents Karen and Richard O. Adams, will be kept secret based on a strict order from Judge John Henning of the Los Angeles County Superior Court.

''I'm mad. I'm worried about Bridget and Lucy, and I don't know what else to say,'' a distraught Jim Rost said after the ruling.

''I'm going to miss them,'' he added. ''Lots of tears. It's like a death in the family.''

The judge's decision represents a victory for members of the birth family, who are part Pomo Indian, in a bitter legal battle with the Rosts, who are white.

The litigation has drawn international media attention and has launched a national debate over a federal law that restricts the adoption of American Indian children.

The Rosts' lawyer immediately appealed, but she rated her chances of victory as ''slim.''

''The Rosts are completely out of it,'' said attorney Jane Gorman.

''If we could have kept custody of the girls, I think we might have won on appeal, because I think the judge's decision was wrong,'' she said. ''But with the court having transferred custody, our chances are slim.''

Henning does not want members of the news media, who have surrounded the courthouse in recent days, to be present when the children are given to their biological grandparents, Gorman said. The judge has barred reporters from the courtroom throughout the proceedings.

Henning had ordered the Rosts to bring the children to Los Angeles in late May for a series of visits with Karen Adams and the birth parents—Adams' son Richard E. Adams, and Cynthia Ruiz. Last week, Henning issued an order prohibiting the Rosts from taking the twins out of Los Angeles County.

Reached by telephone in his chambers yesterday, Henning would say only that he had established a temporary guardianship and made Karen and Richard O. Adams custodians.

Richard E. Adams' lawyer Leslie Glick, said the birth parents hope to one day take custody of the twins ''when they are stable.''

''Rick and Cindy, but that they had no money, would have kept those children to begin with, Glick said. She denied that the couple, who married after the adoption dispute began, have had serious domestic violence problems. Richard E. Adams had been charged, but was not convicted, of battery stemming from a domestic violence complaint filed by Ruiz.

Glick called Henning's decision ''very thoughtful'' and said the guardianship plan is ''in the best interests of the children.''

''The birth family is so happy. They want their children back.''

Adams and Ruiz voluntarily consented to the adoption, but Adams changed his mind about three months later, saying he wanted his mother to have custody and revealing that the children are part Pomo Indian.

The terms of the Indian Child Welfare Act, a 1978 law that gives Indian families and Indian tribes powerful influence over the adoption of Indian children were not followed in the adoption, lawyers said.

The Rosts say they never knew the children were part Indian until Adams tried to stop the adoption. And there was no evidence produced that showed they were aware.

Testimony that an adoption lawyer who represented Ruiz and Adams knew about the Pomo claims proved to be a turning point in the case, however, said Arnold Klein, a lawyer appointed to represent the twins. Adoption lawyer D. Durand Cook, who represented Ruiz and Adams, produced documents, that showed he knew Adams was claiming Pomo ancestry, said Klein.

Adams had testified that Cook told him his Pomo ancestry would complicate and slow the adoption process, so he concealed his Indian background.

Cook also said he never told the Rosts about the Pomo Ancestry, Klein and Gorman confirmed. The Rosts paid Cook's $4,200 legal bill as part of the adoption agreement, Jim Rost confirmed.

According to the Indian Child Welfare Act, Cook should have contacted tribal authorities, who would have determined the placement of the children.

Mr. Rost said he was shocked by Cook's revelation.

''It was incredible to me that he had a conversation that involved the American Indian issue and that he chose not to disclose that to us.'' Mr. Rost said. But he added he thinks the focus on Cook's testimony misses the point.

''Nobody is saying anything about the fact that two adults made this decision to give up these children. They sought out Durand Cook, and now they are invoking this law to take the children away from us.

''It's incredible for us to see almost unanimous support from everyone we meet and have our legal system make a ruling that flies in the face of that,'' Mr. Rost said.

Mr. Rost said he is frustrated that nether he nor Mrs. Rost ever had a chance to testify in the case.

''We never had a chance to present any evidence. The judge said his hands were tied.''

U.S. Rep. Deborah Pryce, who tried to amend the Indian Child Welfare Act in time to help the Rosts maintain custody of the twins, said yesterday that she is disappointed.

''These children have become the innocent victims of a badly written law,'' Pryce, R–Perry Township, said in a prepared release. Pryce said the use of the Indian Child Welfare Act in the case is ''contrary not only to

the best interests of the children, but to the original intentions of the legislation.''

The act was approved in 1978 after congressional investigators found that as many as 35 percent of Indian Children were being adopted away from their homes, usually by white adoptive parents.

Legislation introduced by Pryce and companion legislation introduced by U.S. Sen. John Glenn, D–Columbus, would have amended the law to prevent tribes, from bestowing retractive membership as it relates to adoption cases.

The amendments were stalled after a flurry of opposition from American Indian groups, who testified that the law challenges the sovereignty of American Indians.

FRENCH NUCLEAR TESTING

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

Mr. FALEOMAVAEGA. Mr. Speaker, how ironic that one of the world's most celebrated marine scientist, who over the years came to the shores of many of the South Pacific islands and other countries and preached to us the gospel of conservation and to preserve all forms of marine life. He is none other than the Frenchman oceanographer Jacques–Yves Cousteau. Jacques Cousteau told millions of people throughout the world to save the whales; Jacques Cousteau told the world to preserve the precious reefs and corals that surround most of the Pacific islands; Jacques Cousteau told the world how important plankton is which is the life source of all marine life.

But now, Mr. Speaker, we have another Frenchman named Jacques Chirac, who happens to be the President of France—and is now telling the world—the heck with you 27 million people and an additional 1.5 million American citizens who live in the Pacific Ocean—we're going to explore eight nuclear bombs starting this September. Mr. Speaker, these are not devices, they are nuclear bombs.

I ask the good people of France, have you no conscience toward the lives, the health, and safety of some 28 million men, women, and children who live in the Pacific region?

Mr. Speaker, I say to the good people of France—you have already exploded almost 200 nuclear bombs in the South Pacific—now you want to explode 8 more nuclear bombs. Isn't it logical, Mr. Speaker, that the Chinese should now be given an open invitation to explode 174 nuclear bombs to catch up with France; and that countries like India, Pakistan, Iraq, North Korea, and Iran should now be justified for each of these countries to also explode 208 nuclear bombs to catch up with France. And yes, let's let France explode 900 more nuclear bombs in order to catch up with the United States.

Mr. Speaker, what madness. Mother Earth is hurting and crying, and man is going to be held accountable for this madness.

I submit for the RECORD the following:

COUSTEAU REGRETS CHIRAC DECISION ON NUCLEAR TESTS

PARIS, June 14.—French oceanographer Jacques-Yves Cousteau voiced regret on Wednesday over President Jacques Chirac's decision to resume nuclear testing in the Pacific Ocean and said atomic weapons should be outlawed.

''It is regrettable that France has given in to out-dated arguments,'' Cousteau, 85, said in a statement.

''Great wars are of the past. The struggle for peace is carried out first and foremost through education and the restoration of morality,'' he said. ''Today's wisdom makes it necessary to outlaw atomic arms.''

Chirac announced in Paris on Tuesday that France would hold eight tests at its South Pacific site, ending them next May in time to sign a comprehensive test ban treaty.

Cousteau, who regularly tops opinion polls as France's most popular personality, has been a vigorous campaigner against the French nuclear industry and marine pollution. He once considered running for president on a radical ecology ticket.

[From the Washington Times, June 15, 1995]

CHIRAC'S NUCLEAR TESTS SEND MESSAGE OF DEFIANCE

PARIS—By timing his decision to resume French nuclear tests on the eve of his first presidential visit to Washington and a Group of Seven summit, President Jacques Chirac sent a clear message that France is a major power with a world role.

But his defiant decision to resume nuclear testing drew outrage from every corner of the world yesterday as Mr. Chirac's month-old government serenely insisted the nation's ''vital interests'' override diplomatic niceties.

South Pacific nations near the Polynesian atoll testing site accused France of ''flagrant disregard.'' New Zealand and Australia said they would freeze military relations. Moscow and Washington were critical.

In the grand tradition of Gen. Charles de Gaulle, the leader of wartime Free France and father of the French atom bomb, Mr. Chirac was asserting himself as the leader of a pocket superpower with global interests and defying the United States.

Analysts said that Mr. Chirac had served notice that President Clinton would be dealing with a French leader determined to assert French and European interests in a ''rebalanced'' Atlantic partnership.

Le Monde diplomatic analyst Daniel Vernet called it ''the desire to return to Gaullist gestures.''

''The message to the world and to the Nation is the same: asserting his willpower, authority and ability to take decisions that are, naturally, 'irrevocable.' It is a way of notifying Mr. Clinton before he arrives in Washington that the president means to exercise his powers fully,'' political commentator Philippe Alexandre said.

The same determination was clear in Mr. Chirac's energetic role in Bosnia, spearheading the creation of a rapid-reaction force with Britain to protect U.N. peacekeepers and summoning Defense Security William Perry to Paris to approve it, while ignoring NATO.

A remark during Mr. Chirac's first television news conference Tuesday summed up his approach. ''I think the Atlantic Alliance does not have a leader,'' he said.

Mr. Chirac flew to Washington for his first summit with Mr. Clinton, enjoying solid backing from his conservative government. Politicians and commentators said there was no doubt he deliberately timed the announcement as a show of independence and fortitude on the eve of his meeting with Mr. Clinton and the forthcoming G–7 summit in Halifax, Nova Scotia.

''It's clear Chirac wanted to make a thunderous arrival on the international stage,'' said Jean-Michel Boucheron, a Socialist Party defense expert. ''I would have preferred his first message to the world to be a message of peace, rather than a slap in the face to 178 countries that signed the Non-Proliferation Treaty.''

Mr. Chirac's premier, Alain Juppe, went before the National Assembly to defend the test decision.

''France's vital interests prevail over all other considerations, even of diplomatic nature,'' Mr. Juppe said, ''France will maintain a credible and sufficient deterrent force.''

Mr. Chirac, at his first news conference since taking office May 17, said Tuesday that France would abandon its 1992 moratorium on nuclear testing and conduct eight more tests between September and May. He promised France would halt all tests by May 1996 and sign a treaty banning such testing.

Mr. Chirac's predecessor; Socialist Francois Mitterrand, suspended France's testing program in 1992, promoting Russia, the United States and Britain to follow. China had been the only nuclear power to continue experimental nuclear blasts.

Russia said that the move could jeopardize international disarmament agreements.

But Mr. Juppe brushed aside the criticism, saying France shouldn't heed complaints from powers that have conducted ''10 times more tests'' over the years.

Mr. Juppe said Mr. Mitterrand's suspension of testing three years ago was ''premature,'' disrupting efforts to develop computer simulation technology that would permanently end the need for tests.

France has no plans to develop new nuclear weapons or change nuclear strategy and seeks only to verify the safety of existing weapons while advancing toward simulation technology, Mr. Juppe said.

Domestically, ecologists and leftist political groups assailed Mr. Chirac. ''You are the shame of France,'' said an open letter to Mr. Chirac from Bernard Clael, a popular novelist whose works stress environmental themes.

THE BARBARIC METHODS OF ABORTION

(Mr. SMITH of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous material.)

Mr. SMITH of New Jersey. Mr. Speaker, the dirty secret of the pro-abortion movement is the method of abortions themselves. More than two decades after Roe the Nation remains woefully uninformed concerning the violent and abusive methods routinely used to kill unborn babies. The abortion industry has cleverly sanitized and marketed abortion with an endless stream of euphemisms. In abortion mills throughout the land abortionists dismember kids with razor blade tipped knives connected to suction machines or inject deadly poisons into the child.

Today hearings begin in the Committee on the Judiciary to outlaw what is known as partial birth abortions. Here is how the originator of this terrible method of abortion describes it:

After delivering most of the baby he says the surgeon then takes a pair of blunt, curved, Metzenbaum scissors in the right hand. He carefully advances the tip, curved down, along the spine and under his middle finger until he feels it contact the base of the skull under the tip of his middle finger. The surgeon then forces the scissors into the base of the skull. Having safely entered the skull, he spreads the scissors and then they suck the brains out of that baby.

Mr. Speaker, this is barbaric. This legislation would outlaw this egregiously barbaric procedure.

The surgical assistant places an ultrasound probe on the patient's abdomen and scans the fetus, locating the lower extremities. This scan provides the surgeon information about the orientation of the fetus and approximate location of the lower extremities. The tranducer is then held in position over the lower extremities.

The surgeon introduces a large grasping forcep, such as a Bierer or Hern, through the vaginal and cervical canals into the corpus of the uterus. Based upon his knowledge of fetal orientation, he moves the tip of the instrument carefully towards the fetal lower extremities. When the instrument appears on the sonogram screen, the surgeon is able to open and close its jaws to firmly and reliably grasp a lower extremity. The surgeon then applies firm traction to the instrument causing a version of the fetus (if necessary) and pulls the extremity into the vagina.

By observing the movement of the lower extremity and version of the fetus on the ultrasound screen, the surgeon is assured that his instrument has not inappropriately grasped a maternal structure.

With a lower extremity in the vagina, the surgeon uses his fingers to deliver the opposite lower extremity, then the torso, the shoulders and the upper extremities.

The skull lodges at the internal cervical os. Usually there is not enough dilation for it to pass through. The fetus is oriented dorsum or spine up.

At this point, the right-handed surgeon slides the fingers of the left hand along the back of the fetus and ''hooks'' the shoulders of the fetus with the index and ring fingers (palm down). Next he slides the tip of the middle finger along the spine towards the skull while applying traction to the shoulders and lower extremities. The middle finger lifts and pushes the anterior cervical lip out of the way.

While maintaining this tension, lifting the cervix and applying traction to the shoulders with the fingers of the left hand, the surgeon takes a pair of blunt curved Metzenbaum scissors in the right hand. He carefully advances the tip, curved down, along the spine and under his middle finger until he feels it contact the base of the skull under the tip of his middle finger.

Reassessing proper placement of the closed scissors tip and safe elevation of the cervix, the surgeon then forces the scissors into the base of the skull. Having safely entered the skull, he spreads the scissors to enlarge the opening.

The surgeon removes the scissors and introduces a suction catheter into this hole and evacuates the skull contents.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. HAYWORTH). Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. RIGGS] is recognized for 5 minutes.

[Mr. RIGGS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. LIPINSKI) is recognized for 5 minutes.

[Mr. LIPINSKI addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

THE PRESIDENT'S BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. SMITH] is recognized for 5 minutes.

Mr. SMITH of Michigan. Mr. Speaker, thank you very much.

Last night President Clinton unveiled his second budget of this year. This budget aims to balance the Federal budget 10 years from now. This means that if you know any third graders, that third grader will be graduated from high school and the budget still will not be balanced.

It also means that we hope that a decade from now we are going to really balance the budget. I mean, if a politician told you today that we are not going to balance the budget now but we are going to balance it in 10 years, I wonder how many of the American people would believe that promise.

Remember, the President did not say the debt would be paid off. He said if all goes well, we will stop adding to the debt rate. Put it this way: Does it not all sound a little ludicrous? Do we really think that Congress will balance the budget 10 years from now? We just cannot do it today, and therefore we have to put it off for 10 years?

President Clinton is saying we will not pay you back 10 years from now, but we are going to stop and make the promise today that we will not be borrowing money 10 years from now. The President has said that it would be too painful to bring the budget into balance in less than 10 years.

Now, remember that Thomas Jefferson, while President, introduced a plan to pay off the Federal debt at that time in 16 years. That meant that he thought it prudent not just to balance the budget, but run enough of a surplus to pay off the debt.

If you consider the real problem, the serious problem, that we not only have to balance the budget, but the fact is we have an actuarial debt in Medicare of an estimated $8 trillion, we have an actuarial debt in Social Security of an additional $5 trillion, we have an actuarial debt of what we owe Federal retirees, the pension plans for Federal workers and military workers, of an estimated $1.5 trillion additional. It is serious.

I am delighted the President has come to the forum. But now we need to decide if he is going to actually give us the details of those budget reductions and cuts so that we can incorporate those ideas into our thinking as we proceed with this budget resolution.

You know, the pain we are hearing about when the President says it is too painful to balance the budget in 7 years is political pain, involved in admitting to reality. As the great 19th century French political philosopher, Frederic Bastiat told us, government cannot provide what it does not contain.

The only way government can give you $1 of health care services is to take that $1 from your neighbor in taxes. There is no such thing as Federal money that can be handed out by 435 Congressmen and 100 Senators. If the Federal Government does not tax your neighbor to get that dollar, then it has the option to borrow it from that neighbor or print the dollar. If the Government borrows the dollar, then your neighbor cannot use it to buy a machine or go to school or to buy a car or to buy a home and to make more productive workers and an expanded economy in the United States. If the Government prints the dollar, then the savings of your elderly neighbor has gone down in value, which is taxing by inflation.

We must admit that Medicare is going bankrupt, as well as Social Security, and that Medicaid is bankrupting States as well as the Federal Government. To say that it is too painful to balance the budget only makes sense if you think that government has the right to your earnings and will just leave you with whatever is left over after the politicians divide it up among the people who have political access or political pull.

Let us follow in the footsteps of Thomas Jefferson and force the politicians to admit that the emperor, in this case the Federal Government, has no clothes, has no dollars. We cannot exist by using Government as a mechanism to engage in stealing from each other. We must as individuals recognize our responsibility towards the less fortunate, the sick and the elderly.

Governments cannot be charitable. They can only redistribute under force. I have faith in the American people and

their willingness to provide true altruism.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio [Ms. KAPTUR] is recognized for 5 minutes.

[Ms. KAPTUR addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. DELAY] is recognized for 5 minutes.

[Mr. DELAY addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. OWENS] is recognized for 5 minutes.

[Mr. OWENS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. EHLERS] is recognized for 5 minutes.

[Mr. EHLERS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

FRENCH NUCLEAR TESTING—NO. 3

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from American Samoa [Mr. FALEOMAVAEGA] is recognized for 5 minutes.

Mr. FALEOMAVAEGA. Mr. Speaker, I rise today in strongest opposition to France's announced resumption of exploding nuclear bombs in the South Pacific.

After decades of work, and through the efforts of peoples of divergent countries throughout the world, we are, or at least we were, moving toward a common goal of removing nuclear weapons from the face of this planet. Last month, the United States, France, and the major nuclear powers promised over 170 non-nuclear nations that the nuclear powers would exercise ''utmost restraint'' with regard to nuclear testing and work toward a comprehensive test ban treaty. Despite reservations, these commitments were accepted at face value by the non-nuclear nations, which are the vast majority of the countries of the world, and it was only with their support that permanent extension of the Nuclear Non-Proliferation Treaty [NPT] was gained.

Following in the footsteps of China's nuclear detonation right after the NPT's renewal, a testing resumption by France would confirm the ugliest fears of the non-nuclear nations. The implications are quite obvious, and what the French Government is now saying to the international community and especially countries like India, Pakistan, North Korea, Iraq, and Iran is—the nuclear powers in the name of national interest are more than willing to undermine the NPT, and their commitment to nuclear nonproliferation and disarmament is suspect. The French Government is also sending the message that it does not care about the concerns of some 27 million people who live in the South Pacific region—and we should also add some 1.5 million Americans who live in the State of Hawaii, Guam, the Northern Marianas, and American Samoa.

Mr. Speaker, what the French Government is saying is we're going to explode eight nuclear bombs in the middle of the South Pacific Ocean—and there is nothing you can do about it.

Mr. Speaker, I cannot believe for a minute that the citizens and the good people of France want its government to explode nuclear bombs that will have tremendous negative impact upon the marine environment of the Pacific Ocean. I cannot believe the good people of France will permit their government to exercise poor judgment on such an important and critical international issue as nonproliferation of nuclear weapons. Mr. Speaker, what a reprehensible display of arrogance of power by a major European country that loves to expound upon moral principles of human rights, protection of the environment, and due fairness and equity to all of humanity.

Instead of complying with the spirit of the nuclear Nonproliferation Treaty, France has said, in effect, we still want to ban nuclear testing, we really do, but not just yet. We want to get every possible advantage we can from our testing program before we stop our tests. So please just ignore these eight nuclear bomb explosions, then next year we will sign a treaty to stop further testing.

Mr. Speaker, I suspect that the military establishment of every nuclear power wants to perform more tests of weapons from their nuclear arsenals to ensure the reliability of their systems. But the fact is all of the nuclear powers, except China, have given up this benefit and stopped testing programs in the interest of making the world a safer place to live. The United States has stopped its testing program because it could derive no more benefit from further tests; it stopped testing to encourage other countries to cease their testing. It is only through leadership such as this that we can hope to rid our planet of the most dangerous weapon mankind has devised—the only weapon we have created that can destroy every form of life as we know it.

Mr. Speaker, I want to comment President Clinton and his administration for standing by its commitment to continue this country's ban on nuclear bomb testing, and I also want to commend the United Kingdom for its statement committing to maintain its ban also. Other governments which have already spoken in opposition to France's resumption of testing include Russia, Australia, New Zealand, Japan, Fiji, Austria, and Norway.

The 15 island nations which comprise the South Pacific Forum have also stated their objection to resumed testing, noting that it would be a major setback to relations between France and the region. These South Pacific nations are members of the South Pacific Nuclear Free Zone Treaty [SPNFZ] and have consistently supported all international efforts to prevent and terminate nuclear proliferation.

The people of the South Pacific want nothing to do with nuclear weapons. They know firsthand of the horrors of nuclear testing and have agreed amongst themselves to keep their part of the planet nuclear-free. Isn't it ironic that the region is about to become not nuclear-free, but a nuclear hazard. This is not happening by the choice of the 27 million people of the South Pacific, but through the arrogance of a European world power, again playing the role of a colonial master to the detriment of peaceful citizens on the other side of the world.

In announcing France's intent to resume nuclear bomb testing, President Chirac has asserted that exploding the series of nuclear bombs is environmentally safe. Mr. Speaker, we have all seen the results of the nuclear explosions during World War II and the devastation they wreaked. Today's bombs are many times more powerful. France's testing program is to involve the detonation of eight nuclear bombs, almost one a month, all under one small, coral atoll. How many tons of dead fish and countless other marine life are going to be sacrificed this time? What about the safety and health conditions of the Polynesians living in the surrounding islands?

My question to President Chirac is, if the testing is so safe, why are the bombs being exploded in the South Pacific—so far away from France? Why were France's early nuclear bomb explosions conducted in Algeria? Why not detonate these bombs under French soil? If they are so safe, why not explode these bombs under Paris?

Mr. Speaker, the explosions of thermonuclear bombs are not safe. It is not safe for people, it's not safe for animals or plants, and it's not safe for the environment. Nuclear bombs have only one purpose, they were created to slaughter people, but the result is to annihilate everything. We all know they are extremely hazardous. We all know the reason France explodes its bombs in French Polynesia and not in France. It's the same reason the United States early on conducted its tests in the Pacific—the bombs are extremely dangerous, and no one wants to subject their homeland to this danger, if they have a choice.

Mr. Speaker, I want to appeal to the people of France to tell their government and their President to stop this insanity, stop this renewal of the threat of global destruction. President

Chirac does not have to prove France is a world military power. Everyone acknowledges that. France already has the third largest nuclear weapons stockpile and the fourth largest Navy in the world. In the post-cold-war era, who does France fear or seek to deter by further testing and additions to its nuclear arsenal? Now is the time for France to use its strength to show real world leadership, not national insecurity.

The true leaders of the world are leading the way toward peace and stability by not testing or using nuclear bombs. China, North Korea, Iran, and Iraq are leading the way also. Their direction is toward a more unstable, violent, and dangerous world. I do not want to include France in the list with these countries, but if it resumes its testing, I am afraid I must.

Mr. Speaker, our future lies not in thermonuclear bombs; our future lies in peace. I urge President Chirac and the people of France—do not renew your nuclear testing program—do not explode any more thermonuclear bombs—join with the rest of the world by putting pressure on China to stop its testing and putting pressure on North Korea, India, Pakistan, Iraq, Iran and Israel to stop development of these horrible weapons.

Mr. Speaker, the welfare of the South Pacific's 27 million people and its fragile marine environment should not be the sacrifice paid in the name of France's paranoia about nuclear deterrence.

[From the Bulletin of the Atomic Scientists, May/June 1995]

KNOWN NUCLEAR TESTS WORLDWIDE, 1945–1994

China was the only nation that tested nuclear devices during 1994. China conducted its first test on June 10, and another on October 7. The United States last tested on September 23, 1992; the Soviet Union on October 24, 1990; Britain on November 26, 1991; and France on July 15, 1991. During the 34-month November 1958–September 1961 moratorium, the United States, Britain, and the Soviet Union did not test, but the French conducted their first four tests during this period. As of April 1, 1995, the current moratorium has lasted 30 months (except for four Chinese tests).

Since last year's update (May/June 1994 Bulletin), the release of more information about the nuclear testing programs of the United States and Russia continues to recategorize and refine the global testing record. On December 7, 1993, U.S. Energy Secretary Hazel O'Leary divulged that there had been 204 ''secret'' (unannounced) tests from 1968 to 1990. On June 27, 1994, O'Leary released further information, adding three more to the list and bringing the total number of tests to 1,054. (The two combat uses at Hiroshima and Nagasaki are not included, but 24 joint tests with Britain are.)

The reason for the additions had to do with the definition of a nuclear ''test.'' The United States defines a test—for purposes of the above count—as either a single explosion, or two or more explosions fired within 0.1 second of each other within a circular area 2 kilometers in diameter. On further analysis of the record, the Energy Department found that three explosions had been detonated more than 0.1 second apart from a nearly simultaneous explosion, and therefore should be counted as separate tests.

More light was shed on the practice of simultaneous explosions as well. Sixty-three tests involved more than one explosive device, and were fired within 0.1 second or less of each other. These 63 tests involved 158 detonations resulting in 95 additional explosions that are not counted as tests. One test used six nuclear explosive devices, two used five, four used four, 14 used three, and 42 used two devices.

Those conducted in a single vertical shaft are sometimes referred to as the ''string of pearls.'' In other tests there were two or more drilled shafts separated by a considerable distance with one device in each hole. The new official total of 1,054 ''tests'' thus involved the detonation of 1,149 discrete nuclear explosive devices.

Another refinement of the data was a clarification of the number of safety experiments. For many years the number had been listed as 34. After review, 54 tests that had previously been described as weapons-related were added to the safety category, bringing the new total to 88.

An additional number of hydronuclear tests were conducted during the 1958–1961 testing moratorium. Los Alamos acknowledges that they conducted 35 such tests at Los Alamos beginning in January 1960. Livermore conducted a smaller number of hydronuclear tests (we estimate about 15) at the Nevada Test Site.

This data is more than merely a historical curiosity. The question of safety experiments and hydronuclear tests are a contentious issue at the comprehensive test ban negotiations in Geneva. Some would prefer a ban on all types of nuclear experimental activity, while others want some kinds to be permitted—and they differ as to what size yield to allow.

The U.S. position is to limit the experiments to four pounds of nuclear yield. Britain—for reasons not altogether clear—favors 100 pounds. The Russians want to test at yields of at least 10 tons, the French to levels of 100–200 tons, and the Chinese reportedly up to 1 kiloton. There is general consensus among scientists that tests with yields of a few tons or more would be of substantial value to proliferators, and would begin to be of value to nuclear weapon states in developing new weapons.

Russia has yet to publish a definitive list of all of its tests, but some new information has been supplied to the authors about aspects of their test program. According to this private information, the Soviet Union/Russia has conducted approximately 1,100 discrete device detonations.

Of these, nearly 1,000 produced yields greater than one ton. In line with the threshold definition used by the United States, Russia counts these 1,000 as 718 ''tests.'' Most of the other 100 or so—those below one ton—were hydronuclear experiments with yields under 100 kilograms. Until we have a fuller accounting of these, and an agreed-upon definition of a test, the accompanying table remains incomplete.

TEST LOCATIONS

The five declared nuclear powers have acknowledged conducting a total of 2,036 nuclear tests since 1945; 942 of these have taken place within the continental United States, making it by far the most common testing location. The tests in Kazakhstan include those at the Semipelatrek test site and 26 Peaceful Nuclear Explosions (PNE's). The tests in Russia include 132 at Novaya Zemlya, 81 PNE's, and one at Totak. Islands and atolls in the Pacific were the location of 306 tests conducted by the United States, Britain, and France.

Nevada	935
Kazakhstan	496
Russia	214
Mururoa Atoll	[1] 175
Enewetak	43
China (Lop Nur)	41
Christmas Island	30
Bikini	23
Algeria	17
Johnston Island	12
Australia	12
Fangataufa Atoll	12
Pacific Ocean	4
Malden Island	3
South Atlantic Ocean	3
Alaska	3
New Mexico	3
Mississippi	2
Colorado	2
Ukraine	2
Uzbekistan	2
Turkmenistan	1
India	1

[1] Assumes the 12 French safety tests were conducted at Mururoa.

Year	United States		Soviet Union		Britain		France		China		Total
	A	U	A	U	A	U	A	U	A	U	
1945	1	0	0	0	0	0	0	0	0	0	1
1946	2	0	0	0	0	0	0	0	0	0	2
1947	0	0	0	0	0	0	0	0	0	0	0
1948	3	0	0	0	0	0	0	0	0	0	3
1949	0	0	1	0	0	0	0	0	0	0	1
1950	0	0	0	0	0	0	0	0	0	0	0
1951	15	1	2	0	0	0	0	0	0	0	18
1952	10	0	0	0	1	0	0	0	0	0	11
1953	11	0	5	0	2	0	0	0	0	0	18
1954	6	0	9	0	0	0	0	0	0	0	15
1955	17	1	6	0	0	0	0	0	0	0	24
1956	18	0	8	0	6	0	0	0	0	0	32
1957	27	5	18	0	7	0	0	0	0	0	57
1958	62	15	35	0	5	0	0	0	0	0	117
1959	0	0	0	0	0	0	0	0	0	0	0
1960	0	0	0	0	0	0	3	0	0	0	3
1961	0	[1]9/1	52	1	0	0	1	1	0	0	65
1962	39	55/2	71	1	1	[1]2	0	1	0	0	171
1963	4	41/2	0	0	0	0	0	3	0	0	50
1964	0	39/6	0	10	0	2	0	3	1	0	61
1965	0	37/1	0	[2]10/4	0	1	0	4	1	0	58
1966	0	44/4	0	16/2	0	0	5	0	3	0	75

Year	United States		Soviet Union		Britain		France		China		Total
	A	U	A	U	A	U	A	U	A	U	
1967	0	39/3	0	16/1	0	0	3	0	2	0	64
1968	0	52/4	0	14/4	0	0	5	0	1	0	80
1969	0	45/1	0	14/4	0	0	0	0	1	1	66
1970	0	38/1	0	11/3	0	0	8	0	1	0	62
1971	0	23/1	0	16/7	0	0	5	0	1	0	53
1972	0	27	0	17/8	0	0	3	0	2	0	57
1973	0	23/1	0	12/5	0	0	5	0	1	0	47
1974	0	22	0	17/4	0	1	7	0	1	0	[4]53
1975	0	22	0	17/2	0	0	0	2	0	1	44
1976	0	20	0	18/3	0	1	0	4	3	1	50
1977	0	20	0	18/5	0	0	0	8	1	0	52
1978	0	19	0	22/7	0	2	0	8	2	1	61
1979	0	15	0	24/8	0	1	0	9	1	0	58
1980	0	14	0	20/5	0	3	0	13	1	0	56
1981	0	16	0	16/5	0	1	0	12	0	0	50
1982	0	18	0	12/9	0	1	0	9	0	1	50
1983	0	18	0	19/9	0	1	0	9	0	2	58
1984	0	18	0	18/11	0	2	0	8	0	2	59
1985	0	17	0	10/2	0	1	0	8	0	0	38
1986	0	14	0	0	0	1	0	8	0	0	23
1987	0	14	0	20/6	0	1	0	8	0	1	50
1988	0	15	0	14/2	0	0	0	8	0	1	40
1989	0	11	0	8	0	1	0	8	0	0	28
1990	0	8	0	1	0	1	0	6	0	2	18
1991	0	7	0	0	0	1	0	6	0	0	14
1992	0	6	0	0	0	0	0	0	0	2	8
1993	0	0	0	0	0	0	0	0	0	1	1
1994	0	0	0	0	0	0	0	0	0	2	2
Total	215	815	207	508	21	24	45	[3]147	23	18	[4]2,036

[1] All British underground tests were conducted in the United States.
[2] Numbers after "/" represent Soviet or U.S. peaceful nuclear explosions.
[3] 12 French safety tests not identified by date are not included here; however, they have been added to the grand total.
[4] Includes one underground explosion by India on May 17, 1974.

Note.—A=atmospheric; U=underground.

□ 1600

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 5 minutes.

[Mr. MONTGOMERY addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

BUDGET NEGOTIATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. POSHARD] is recognized for 5 minutes.

Mr. POSHARD. Mr. Speaker, I rise to support and encourage the President for coming forward with his budget proposal. I have heard the comments flying around here the past couple of days, comments which are critical of his decision. Some from the Republican Party insist that he came into the debate late and, therefore, must be disingenuous in his motives. Some from the Democrat Party feel they have been betrayed because his budget embraces a slowdown in the growth of Medicare and other entitlements.

Mr. Speaker, I think the President did exactly the right thing. Let me remind everyone in this House, this is not the first step the President has taken to balance the budget. He took the first step 2 years ago when he submitted a budget that was filled with tough choices, a budget which has cut over $200 billion from the deficit in 2 years and has contributed to outstanding economic growth in this country.

About one-half of the Members of this body did not even come to the table on that budget, and now they want to criticize the President for coming to the table late on this budget.

I am not worried about the President coming to the table late. There is not a Member of this House that could not be challenged on that point at some time or another. The point is, he did the right thing.

There is not a Member of this House that in their heart of hearts believes that we can balance the budget and continue to let entitlements rise as rapidly as we have in the past.

Entitlements are nearly 48 percent of this budget, and interest on the debt is another 20 percent. We are running this entire country, defense, transportation, environment, energy, education, justice and law enforcement, housing, commerce, agriculture, science, space and technology, the operation of government itself on barely 30 cents of every tax dollar that is sent to this Congress.

I may not agree with the President's budget entirely. I do not agree with any budget entirely. I voted for the moderate Democrat budget which I think is still a reasonable alternative. It deals fairly with reducing the growth of entitlements and delays any tax cut considerations in favor of cutting spending first. This is the path I would take, but the important thing now is to encourage the President, to encourage the Speaker and the minority and the majority leaders to sit down and reason together.

Mr. President, Mr. Speaker, I plead with you, do not let the Medicare debate kill our attempts to get to a balanced budget. Here is the truth. Democrats say Republicans are cutting Medicare. Republicans say we are only slowing down the rate of increase of growth. What is the truth?

The truth is they are both right, but neither will tell the whole story. Under the Republican budget, Government spending on Medicare will increase from about $4,500 per individual to $6,400 per individual. That is an increase in real dollars. But right now that $4,500 represents, let us say, 75 percent of the health care cost of the individual, and the individual pays through premiums, deductibles, medigap insurance and other things about 25 percent of the cost.

At the end of the Republican budget, we will have raised Government spending nearly $2,000 per individual, but at the present rate of increase of health care costs, that will only be enough to cover, let us say, 70 percent of the costs.

So the percentage of costs, the percentage of costs to the individual will have risen from the present 25 percent to 30 percent of the cost.

Are we going to spend more? Yes. But are seniors going to have to pay a larger percentage of the total cost? Yes.

But is a slight increase in the percentage of cost accruing to the Medicare recipient reasonable to ask if it saves the Medicare system? I say yes. Do the seniors and others who depend upon Medicare have a right to ask us to keep these percentage increases as low as possible? Of course they do. If keeping those percentage cost increases as low as possible means foregoing some or all of the proposed tax breaks, should we not be willing, as both Democrats and Republicans, to do that? I think we should.

But the important thing is this: Unless we want this country to wallow perpetually in debt and slowly watch that debt erode and then steal our children's future, we must do the right thing here in passing a balanced budget.

I encourage the President and Speaker GINGRICH to sit down with the majority leader and minority leader to develop a budget this country and this Congress can be proud of, a budget that reconciles our differences, a budget that allows us to go home and look our children in the eye and say that we did the right thing in the worst of times.

GINGRICH-LITE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon [Mr. DEFAZIO] is recognized for 5 minutes.

Mr. DEFAZIO. Mr. Speaker, the President's revelation of his new budget last night was actually quite remarkable. Fiscal responsibility has finally penetrated inside the Washington, DC. Beltway. That is, Washington, DC. has finally, the policymakers are now all in agreement that the massive debt which will exceed $5 trillion in the near future, about $17,000 for each and every living American citizen from the tiniest baby to the oldest senior citizen, is a real problem and it must be dealt with. And we have to move toward fiscal responsibility. That is the good news.

Apparently, the President was very much affected by his joint appearance with Speaker GINGRICH in New Hampshire last weekend, because his proposed budget is Gingrich-Lite, that is, it has the same priorities, the same misplaced priorities as the budget passed in this House 2 months ago, a budget written essentially by Speaker GINGRICH and other senior Republicans. The President has adopted those same priorities, the same mistakes and the same peril to average Americans that is inherent in that budget.

They both start out balancing the budget by cutting taxes. Does that make sense? If you are in the hole, is the first thing you do to cut your income? No, I do not think so. But that is what the Republican budget, $350 billion slanted heavily toward people earning over $100,000 a year and the largest, most profitable corporations, that is the Republican budget.

Now, the President, certainly, it is better. It is only $93 billion in tax cuts, and it is a little more targeted, certainly, to middle-income people. But still it is giving away revenue when you are in the hole. This is not a time for tax cuts, if we are serious about balancing the budget.

Now we get to Medicare. The Gingrich Republican budget slashed Medicare by $288 billion. They said, there are problems with Medicare; we have got to fix it. Of course, they do not tell us what the fix is. They just tell us exactly how much we have to reduce benefits in order to fix it, and we will figure out later what it is we are doing.

It is a little bit like burning down the village to save it, as we did in Vietnam a couple of decades ago.

Now, the President, of course, is only going to reduce Medicare by $125 billion, Gingrich-Lite. But it still is a reduction without a clear plan to deal with the problems of Medicare. Veterans? Gingrich, $9 billion; Gingrich-Lite, the Clinton budget, $6 billion.

Corporate agriculture, subsidies for large profitable corporate agriculture undertakings, like Sam Donaldson, a famous commentator, he gets $75,000 a year not to grow sheep on a ranch he does not live on. Is that essential? Well, apparently it is because there are small cuts in the Republican budget, even tinier cuts in Gingrich-Lite, the President's budget.

Corporate welfare? They are about the same there, tiny, tiny cuts, an estimated $40 to $50 billion that could easily be recaptured from the largest, most profitable corporations in the world, many of them foreign corporations who operate in this country without paying a cent in taxes except for the FICA taxes on their employees. They move their profits offshore, and they take the money to the bank.

The military? We just went through the Department of Defense markup here. We are looking at a massive increase in buildup in the military, a massive increase in buildup in star wars, 10 more B–2 bombers at $1.5 billion each, more than the Pentagon itself requested. They said, Do not buy more B–2 bombers. Transport planes, the Pentagon did not ask for, submarines that the Pentagon did not ask for, an increase, the President asked for an increase in the military of $25 billion over the next 7 years. And the Republican budget, $68 billion on top of the President's $25 billion.

Foreign aid, neither of them want to touch foreign aid. That is a little bit too hot of a political potato, even with the new fiscal realities of Washington, DC.

There is a better way to get a balanced budget, a much better way. We can do it without touching Medicare. We can do it without slashing veterans' benefits, but we have to go after corporate agriculture big time, like $50 billion cuts in their subsidies. We are going to have to go after corporate welfare and the large, most powerful multinational corporations that do not pay a penny of taxes in this country, we are going to have to ask them to pay their fair share.

Takes a little bit of will and guts, probably cuts big into the contributions of both a lot of Democrats and Republicans. But if we do not do that, then we are going to gut programs that are important to Americans instead of going after fairness and equity and a balanced budget that meets the priorities and needs of this country.

THE BUDGET

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Florida [Mr. SCARBOROUGH] is recognized for 60 minutes as the designee of the majority leader.

Mr. SCARBOROUGH. Mr. Speaker, I would like, as one Republican, to welcome the President of the United States finally to the great debate on how we balance this country's budget, how we make Congress and the Federal Government do what middle class Americans have had to do for over 200 years, and that is spend only as much money as they take in.

I have got to tell you, I believe that this $4.9 trillion debt is one of the great issues of our time. It is not just what I believe, it is what Republicans and even Democrats, grudgingly, alike have to believe. Because we can talk about every single issue we want to talk about: talk about education, talk about military issues, talk about the environment, talk about the infrastructure, talk about health care, talk about crime control. All of these issues are important. But if we are spending more money on servicing the interest on our huge $4.9 trillion debt than we are spending on any of these programs, then there obviously is a problem.

About 50 percent of every man and woman's income tax is spent on servicing the debt. In a few years we are going to be spending more money on servicing the national debt's interest than we spent today on our defense bill.

□ 1615

What does that mean? We are burning money. We are throwing away more money on interest on this national credit card than we are protecting our children and protecting our shores. Again, it is time that the President comes to the table and says ''Okay, I am going to step forward with a plan to balance the budget.'' We certainly welcome him.

The last speaker on the floor began his speech by saying ''Fiscal sanity has finally penetrated the Beltway. The President has now come to the table with a balanced budget plan.'' The fact of the matter is fiscal sanity penetrated not only the Beltway but this entire country on the evening of November 8, 1994, when the Republican Party was swept into power on both sides of Congress, where not a single Republican incumbent Governor, Congressman, or Senator from Alaska to Florida got voted out, and where Americans stood up and said ''Enough is enough. We have been writing bad checks for 40 years. It is time for us to step forward and balance the budget.'' We got that message, came to Washington, tried to make a difference.

The President now claims to have also gotten that message, but I have to tell the Members, it is kind of hard to figure out where he is on this issue and other issues at times. Let us follow his policy over the past few months. He stated out by opposing the balanced budget amendment. He worked overtime to kill the constitutional amendment that would make Congress abide by the same laws, and make Congress abide by the same fiscal restraint that middle class Americans have had to abide by for over 200 years.

He said we did not need a balanced budget amendment, that we could do it on our own, we just needed a little bit of discipline. He succeeded in killing the balanced budget amendment, which over 70 percent of Americans supported. What was his next step? After he killed the bill and said we could do

it on our own, he then stepped forward and said ''I changed my mind. This country really does not need a balanced budget right now. It would be too harmful.''

Then we went to Hew Hampshire in May, and he said he would balance the budget; that he would step forward with a plan to balance the budget, that it was important. Then he came back from New Hampshire later on in May and said no, he changed his mind, he really did not need to balance the budget right now. Then he went back up to New Hampshire. When he came back again from New Hampshire this week, he changed his mind again and said ''Yes, we are going to balance this budget.''

I have to tell you, his budget policy is as confusing as his policy on Bosnia and other issues. In fact, the ranking member of the Committee on Appropriations, a Democrat from Wisconsin, said today in the Washington Post ''If you do not like the President's position on a certain issue, just be patient, wait a few weeks, and watch. It will be sure to change.'' I am here today to tell the Members that I certainly hope the President does not lose his attention span on this issue, that he sticks with it long enough to sit down at the table with Congressmen and Senators and Americans alike, and figure out a way to balance our budget. We have to do it.

Mr. Speaker, I have two boys, one 7-years-old and the other 4-years-old. Both of my boys have about an $18,000 debt on their heads already, as do all Americans, because of the $4.9 trillion debt this country is carrying. It is time for leadership from Washington. It is time for leadership from the White House. It is time for leadership from Congress, from the House and Senate. I certainly hope the President will sit down and debate these issues in the coming months, and let us put demagoguery behind us, and let us do what is best for the American people.

That being said, I welcome him to the table, but at the same time, I have some real concerns about some of his proposals. The first concern that I have concerns senior citizens. The President of the United States several months ago got a report back from trustees that studied the issue of Medicare and Medicaid. It is a dirty little secret in Washington, DC that Medicare and Medicaid is going bankrupt. The President got a commission working on it. The trustees came back and told him ''Mr. President, if we do not do something about Medicare and Medicaid, it is going to go bankrupt in the year 2002.''

Think about that. ''We will have no more money for Medicare and Medicaid. We will not be able to take care of our senior citizens. We will break the sacred contract between generations that we made with our senior citizens, if you do not do something to reform Medicare and Medicaid.''

What did we do? Congress stepped forward and passed a budget resolution that balances the budget in 7 years, and more importantly, saves the Medicare and Medicaid systems, makes them solvent. They do not go bankrupt by the year 2002. We stood up and said to the trustees ''We hear you, we understand your concerns. We cannot allow senior citizens to go unprotected. We cannot allow the poor to go unprotected. We cannot allow them to be harmed. We are going to step forward with a balanced budget amendment that makes Medicare and Medicaid solvent beyond the year 2002, and far beyond into the future.'' We did that.

The President of the United States attacked us, attacked us because, quite frankly, we were following the recommendations of his own trustees: ''save the system.'' Then he came out with his budget. Did his budget follow the advice of the trustees? Did his budget make Medicare and Medicaid solvent? No. It still goes bankrupt. Think about that.

I cannot, for the life of me, imagine running a business, and let us talk about running government like we run business, I cannot for the life of me think about running a business, bringing in my top advisers and saying to them ''You guys go out, you women go out and tell me about the health of our business, of our company, tell us what we need to do to make sure that we are just as strong 10 years from now as we are today,'' and you send them out, you give them money, you give them resources, you give them time, and they come back to you and they say ''If we do not make these changes, this company is going under by the year 2002, in 7 years.''

If somebody came back to me and told me that, I would sit down, take a long, hard look at it, and then I would act on it. That is something we have done as a Congress when we passed the budget resolution. Unfortunately, the President is not willing to make those same steps. For the sake of our senior citizens, for the sake of our poor who depend on these programs, I ask the President of the United States to step forward and show some real courage and show some real leadership, dare to make a difference, dare to enter into the arena that Teddy Roosevelt talked about, and allow himself to be bloodied, if that is what it takes; expend a few cents of political capital to help our senior citizens and to help our poor. He has not done it yet, but I think there is hope. He has come forward with a balanced budget proposal, so let us see what happens.

A second concern with the President's budget is the fact that he says ''We can balance the budget in 10 years.'' Let me tell the Members something, when we talk about a dirty little secret, the dirtiest secret in Washington, D.C. is what we do in the out years when it comes to balancing the budget. Congress says ''We are going to balance the budget in 10 years.'' Then a new Congress gets elected a few years down the road, they get a little antsy and say ''We do not want to make these cuts, so we are going to push these cuts off 5, 10 more years.'' After a while it does not get balanced in 10 years, it does not get balanced in 20 years, it does not get balanced in 40 years, which has happened in Washington, DC.

It is just like his 1993 plan to reduce the deficit. He had massive tax increases and marginal cuts. The tax increases, not only did they apply the very next year, he applied the tax increases retroactively, so he got you coming and he got you going.

What did he do on the spending cuts? Those spending cuts were pushed 7 years out, pushed to the end of the plan, because he knew, and cynical politicians around Washington, DC have known for a long time, that if we push the cuts far enough out in the future, that new politicians will come to Congress, and when they come to Congress, we will not have to make those tough cuts. That is the problem with saying we are going to balance the budget in 10 years. We need to do it now. We cannot go beyond 7 years. We need to balance the budget now.

I certainly hope the President will shorten his timeframe.

Third, and I think most importantly, Mr. Speaker, for our children in this country, I have great concerns about what the President of the United States said about education and education funding. As I said before, I have two boys. My 7-year-old is in the public school system in Florida. My 4-year-old will enter into the public school system next year, so I have a personal stake in the health and well-being of our Nation's schools.

In fact, if our children are going to enter the 21st Century workplace and be able to compete with Japan and with Germany and other countries that are in the G–7 that the President is speaking with today, we are going to have to do better. We are Americans. We can do better, but we are going to have to make sure and not in Washington, D.C. We are going to have to make sure that funding for your children's education is made in your home town, and not in Washington, D.C. We are going to have to make sure that funding for your grandchildren's education is made in your home town, and not behind some bureaucrat's walls in Washington, D.C.

When the President of the United States says ''We have to increase spending on the Federal level,'' all I can do is sadly shake my head, because I know the history of our horrible experiment with the Federal Department of Education. I understand that it started out as a back room deal between Jimmy Carter and the NEA's teacher's union.

I understand that when it was set up, this education bureaucracy was set up in 1980, that we were spending $14 billion a year on our national education

bureaucracy. Today, that number has exploded up to $33 billion. Let us make no mistake of it, I have children. I understand the importance of education. It is at the top of my list on issues that are important in this country. However, sending $33 billion to Washington, D.C. for an education bureaucracy that has failed over the past 15 years simply is not the answer.

Look what has happened since 1980, since we went from spending $14 billion on this new agency to $33 billion in 1995. Test scores for reading and writing have plummeted, while funding has shot up for this bureaucracy. Test scores for arithmetic and science have stagnated, while funding for this Federal bureaucracy has skyrocketed. We are not getting the best bang for our buck.

When the President of the United States says to us that he needs more money for education, he is actually saying he needs more money for his Washington, D.C. education bureaucracy. Do not take my word for it. I ask you to take that education bureaucracy's word for it, and read their budget.

What would you think if you knew that the Department of Education was cutting $100 million from schools' infrastructure programs across the country, $100 million this year? They say they do not have the money, they do not have the money to keep your children's schools safe, they do not have the money to upgrade school systems, to make sure that children can go to school in safe schools. They say ''We are too financially constrained right now. We are going to have to cut $100 million from the program to keep schools safe.''

Then they turn around in that very same budget and say ''We are going to increase spending by $20 million for our own education bureaucracy, which sits a few blocks down from Capitol Hill in Washington, D.C.''

□ 1630

Think about that. They are not robbing Peter to pay Paul. They are stealing from our schools in our hometown, to pour more money into their education bureaucracy building down the street.

Does that make sense? When the President says he needs more money for education and that is how education is defined in Washington DC, does that make sense? When your education dollars and my education dollars are not getting back to our children and to our teachers and to our principals and to our school boards and to our communities and to our hometowns and to our States but instead are strangled in the bureaucracy of Washington, DC, does that make sense? Is that the type of education policy we need to move into the 21st century, to help us compete in the 21st century workplace?

I do not think so. I know you do not think so. I certainly know that our Founding Fathers did not think so.

I carry with me a copy of the Constitution of the United States. If you want to know what our Founding Fathers thought about education, all you need to do is read the Constitution of the United States and specifically read the 10th amendment.

In the 10th amendment, it states all powers not specifically given to the Federal Government through the Constitution are reserved to the States and to the citizens.

What does that mean? It means if it does not say it in the Constitution, that this body, that this Congress, is not permitted to spend money on it, is not permitted to interfere in it, is not permitted to interfere in the education of citizens' children. That is why for almost 200 years we got by fine without a free-standing Department of Education bureaucracy. That is why we have gone from spending $14 billion to $33 billion and actually seen a decline in our educational standards, have seen drops in our test scores, have seen an increase in violence in schools, and have seen an increase in dropout rates when you start measuring those dropout rates with 8th grade students.

Mr. Speaker, we can do better, and we will. We are going to start doing better in the coming weeks as we introduce a bill to Congress that is called the Back to Basics Education Reform Act of 1995. Is that not really what it is all about, getting back to basics, moving away from the social engineering that we have been trying to accomplish and that we have failed on for the past 30 years? Would it not be great to get back to reading and writing and arithmetic and the basics?

Most importantly, would it not be great to once again allow parents and allow communities and allow hometowns to decide how to educate their children instead of having bureaucrats in Washington, DC decide without their input?

James Madison wrote over 200 years ago as he was framing the Constitution, ''We have staked the entire future of the American civilization not upon the power of government but upon the capacity of each of us to govern ourselves, control ourselves and sustain ourselves according to the 10 Commandments of God.''

It was Thomas Jefferson who said that the government that governs least governs best. Why did Jefferson say that? Did Jefferson say it because he was anti-government? No. Jefferson said it because he was pro-freedom, because he was pro-individual, because he was pro-States rights, because he believed, and James Madison believed, and our Founding Fathers believed, that when you allowed individuals and communities and States to experiment with education reform in the free marketplace of ideas that only the strong ideas would survive, that we did not need big brother and big sister telling us from Washington, DC, ''This is the only way you can educate your children.'' It is time to move away from that failed vision. We have tried it for over a generation now and we are getting nowhere with it. We need to move beyond and dare to experiment, to dare to give power back to the States and to the citizens where it belongs.

Mr. Speaker, I believe, like many Americans believe, that we can have 50 State legislatures and Governors experimenting with education reform and we will have 50 legislative laboratories where only the strong ideas survive instead of being dictated from Washington, DC by a bureaucracy that says. ''This is how you do it and if you don't do it this way, we're not going to send money back to your school communities.''

''Oh, I understand we ripped money out of your communities, we took away education funding from your community and brought it up to Washington, DC, but we ain't giving it back unless you do A, B and C.''

Let me tell you something, there is a new way to do things, and that is to do it the old way, the way that Thomas Jefferson and James Madison and our Founding Fathers intended. With the Back to Basics Education Reform Act, we are going to start down that path.

I ask you, when the President of the United States pleads for more education dollars, remember, he is not talking about education dollars for children, he is talking about education dollars for bureaucrats. We can do better and we will, and we must if we are going to compete in the 21st century.

SALUTE TO RICHARD E. FLUGE, PRESIDENT, MONTGOMERY COUNTY BOARD OF COMMISSIONERS

The SPEAKER pro tempore (Mr. HAYWORTH). Under a previous order of the House, the gentleman from Pennsylvania [Mr. FOX] is recognized for 5 minutes.

Mr. FOX of Pennsylvania. I rise, Mr. Speaker, to salute Richard E. Fluge, president of the Abington Township, Montgomery County Board of Commissioners who died suddenly this morning. It is a great loss for our country, because local government leaders like Richard Fluge are closest to the people, they see the problems first and they solve them best.

Mr. Fluge was one of the most inspirational local government leaders in the United States. He championed for many of the items that were passed in the contract:

The unfunded mandates. As president of the Board of Commissioners in Abington Township, Montgomery County, he knew how harsh the unfunded mandates were and the fact is that through his leadership, we no longer have Federal initiatives without money being sent from Washington.

He also championed for a balanced budget. Every other government, school, township, and States have to balance their budgets and now as a result of the House's action and hopefully we will have the Senate action as

well, a balanced budget will be a reality and the fiscal integrity that Richard Fluge championed for will be achieved.

He also worked for regulatory reform, to make sure we have less of the redtape in government and more of the services to the people.

He also worked to have a line-item veto, like 43 Governors and our President will soon have, to make sure we cut out the waste in Government action, the pork-barrel projects.

He also worked in long-range planning. Many people in government plan for today and do not work for tomorrow. Dick Fluge's idea was, let's look to a 5- and 10-year plan, where this country will be, where his community will be.

He also just recently attended a special Medicare preservation task force with the citizens to protect Social Security and Medicare in nearby Blue Ball, PA. There he spoke in behalf of senior citizens and protecting these important programs.

He was a role model, a visionary leader, honest, principled, fair, a great intellect, someone who was low-key, modest, and organized.

Mr. Fluge's type of leadership, his legacy that lives on will in fact be followed by those who follow in his footsteps. They will make great contributions like he has to our country.

I conclude, Mr. Speaker, with these comments. One of his favorite quotes was, ''If it's morally right, it's politically right.''

He also quoted Dag Hammarskjold, former Secretary-General of the United Nations. When asked what direction this country and world were going, he said, ''It's not north, not south, not east nor west but going forward.''

And in reference to that, with leaders like Dick Fluge, who inspired us to do our best, we will go forward, to work together for the common good, who put service above self. The future of our country's progress is unlimited with people like Dick Fluge, who gave a great legacy of service.

HOUSING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, it is my intention, the Good Lord willing, to take an hour tomorrow in order to provide my latest report with respect to the very fundamental question of housing in our country.

But for the moment, I would like to report on a letter that I have addressed the Comptroller General of the United States, Mr. Charles Bowsher.

As you know, the GAO has provided me and the Subcommittee on Housing information and analysis with regard to the FHA single family mortgage insurance program. I am writing to request that the GAO conduct some further work and analysis in this area.

Let me interpose and interject a little report. Because there is no general widespread discussion or reporting on housing conditions in our country, the most pertinent and disturbing fact is that we still have, in the words of Franklin Roosevelt, in fact better than one-third of our Americans ill-housed, ill-fed, and ill-clothed in what we have all taken for granted to be a time of great abundance.

Unfortunately, as we have evolved historically, we have gone a long way in which I have always feared, and, that is, the Europe-ization or the stratification of our social elements, or classes, if you want to call them that.

It was always my hope and in fact I premised my aspirations, for without that, I would not be addressing my colleagues today, on the upward, free ability of movement of our general citizenry, where we have not become so strapped and so homogenized and stratified as in some of the older portions of the world, including Europe, where that is impossible.

If you are the son or the daughter of a street sweeper or even a humble shoemaker in most countries, including England, it will be very difficult for that son or daughter to be a doctor, or a dentist, or a lawyer.

☐ 1645

That is because of the stratification that has come over the course of centuries in the class structure of those countries and societies.

This is our challenge, and will continue to be, and was foreseen; that as we emerged into the 20th century, that would be America's challenge.

Now, the basic elements and necessities of life for human beings has not changed. You have got to have clothing, you have got to have food, and you have got to have shelter.

In my congressional and even in my precongressional service, going to my earlier years in my home city of San Antonio, I concentrated on that one element known as shelter. And, as a matter of fact, in the State Senate, was the author of the general comprehensive housing and community laws that still are on the statute books in Texas of over 35 years ago.

And so, I am quite proud of that record, and I continued that endeavor and was very fortunate, upon arrival in the House, to be assigned to the Committee on Banking, which also has the Subcommittee on Housing and now known as Housing and Community Development.

At this time the Congress and the administration are considering changes in the FHA's organizational structure and its programs and authorities. FHA, and particularly with reference to the Single Family Mortgage Insurance Program, is one of the great contributions and breakthroughs in taking our people out of the submergence of bad housing, poverty, into our level that we have become accustomed to.

Mr. Speaker, I include the following letter for the RECORD:

HOUSE OF REPRESENTATIVES, COMMITTEE ON BANKING AND FINANCIAL SERVICES,
Washington, DC, June 15, 1995.

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

DEAR MR. BOWSHER: As you know, the GAO has provided me and the Subcommittee on Housing information and analysis with regard to the FHA single family mortgage insurance program. I am writing to request that the GAO conduct some further work and analysis in this area.

The Congress and the Administration currently are considering changes in FHA's organizational structure and its programs and authorities. In order to make the most informed decision about these proposals, we need to learn as much as possible about the current borrowers and activities of the FHA and their relationship to today's single family finance system. For this reason, I am requesting that the GAO provide me with information on differences and similarities between the FHA and private mortgage insurers. Specifically, I am interested in comparisons of the income and race of borrowers assisted by the FHA and private mortgage insurers, the income and racial characteristics of the neighborhoods in which these borrowers live, comparisons of product lines, and in any other information that might be helpful as we consider legislative proposals.

May I suggest that our respective staffs meet as soon as possible to establish a time frame for completing this work. If you have any questions concerning this request, please call me or have your staff call Nancy Libson of the Banking Committee staff at 225–7054.

I deeply appreciate the work the GAO has done for us and look forward to your insights once again on this important topic.

Sincerely yours,

HENRY B. GONZALEZ,
Ranking Member.

CLOSING THE BILLIONAIRE'S TAX LOOPHOLE

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentlewoman from Connecticut [Ms. DELAURO] is recognized for 60 minutes as the designee of the minority leader.

Ms. DELAURO. Mr Speaker, I will not take an hour's worth of time, but just a few minutes. I have asked for the time today to discuss an important development in the Committee on Ways and Means this week.

The committee took up the highly controversial expatriate loophole. This provision allows the super-rich of this Nation to dodge paying taxes by renouncing, they can actually renounce their U.S. citizenship.

And this is not something that is just a figment of my imagination. It is a loophole that has allowed billionaires such as the Campbell Soup fortune heir, John Dorrance III, and Dart Container Corp. president, Kenneth Dart, to avoid taxes by renouncing their U.S. citizenship.

Now, keep in mind that these are folks who made their fortunes in the United States on the backs of working men and women in this country. And they decide that they do not want to pay their taxes, so they renounce their citizenship and they go to live elsewhere.

Republicans had promised that they would close this loophole that allows the super-rich to profit by turning their back on America. And on Tuesday, the Committee on Ways and Means passed a bill that the U.S. Treasury Department says contains many of the same problems and would be as unworkable as the current law is.

So that, rather than close that expatriate loophole, the Republican legislation would simply open up a whole series of new loopholes for the superwealthy to be able to squeeze through.

Here we celebrated Flag Day yesterday, Republicans, and at the same time you see the Republican leadership allowing billionaires to profit by turning their back on the flag.

Democrats on the committee worked to close that loophole, but were rebuffed on a party-line vote. I might add there were several instances in the past when this, the closing of this loophole, was brought up.

January 1995, the President submitted a budget to Congress including a proposal to close that tax loophole. In February 1995, there was an amendment by Congressman JIM MCDERMOTT to close the billionaire's loophole and to use the revenue to pay for health insurance deduction for those people who are self-employed and not covered employees. That was rejected by the Republicans.

On February 21, 1995, House Republicans rejected an amendment by the Ways and Means ranking Democrat SAM GIBBONS, and again Representative MCDERMOTT, to close the loophole. On March 24, the full Senate passed a bill which included the Senate Committee on Finance's provision to close that loophole.

On March 28, 1995, once again, the House Republicans rejected a motion by the Ways and Means ranking Democrat, SAM GIBBONS, to instruct the Senate to close that loophole.

March 28, the Republican House-Senate conferees, they rejected the Senate's provision to close the billionaire's loophole. March 30, 1995, once again the House rejected the conference report which would have reinserted this expatriate provision.

On April 3, once again SAM GIBBONS introduced a bill to require the State Department to disclose the identity of those who renounce their U.S. citizenship. No action was taken on that.

April 6, 1995, Ways and Means Chairman ARCHER rejected Mr. GIBBONS' request for assistance in obtaining from the State Department the names of the billionaires who have expatriated and who have escaped paying taxes.

May 2, 1995, again Ways and Means' ranking Democrat SAM GIBBONS introduced legislation to close the loophole. No action was taken.

May 25, 1995, Democrats introduced a resolution that would serve as a rule to ensure the floor consideration of the Gibbons bill. June 13, the Ways and Means Republicans rejected the Gibbons substitute and reported out this bill which, in fact, is a fig leaf which still allows the most wealthy people in this country to be able to export their wealth, tax free, to foreign countries before they renounce their U.S. citizenship.

Leaving this escape hatch wide open truly is a shame in my view, because closing that billionaire's loophole is both the smart thing and the right thing to do. One estimate says that we could bring in over $3.6 billion to the Treasury over 10 years without raising a single penny in taxes.

That is smart public policy in these days of such fiscal concern about what our budget is all about; what our deficit is all about in this country.

More importantly, ending this kind of a billionaire tax loophole is the right thing to do. The superwealthy who make their fortunes in this country and then renounce their citizenship to avoid paying taxes, in my view, have betrayed the United States and it is time to end special favors to these billionaire tax evaders and make the super-rich pay their fair share.

Working middle-class families pay their fair share every single year. And while they continue to come up with creative ways to protecting benefits for the super-rich, the Republican leadership are sticking it to the middle-class families on both ends.

In their budget they talk about cutting student loans. They also talk about cutting Medicare for our grandparents. So that in my view again it is an outrage that the Republicans are refusing to stand up to these billionaire Benedict Arnolds who move their wealth offshore.

And I am pleased to be able to come here this evening, this afternoon, and to make this statement. And it is my hope that we will be able to address this issue once again. And finally, in a bipartisan fashion, we will close a billionaire's loophole that does not do anything to serve the interests of the United States or the working people of the United States, but it allows those who have made a fortune in this country by the sweat of working people to take that money offshore and to use it for their own purposes; for what they want to do and not to increase the economic viability of the United States.

I would like to ask my colleague, the gentleman from Kentucky [Mr. WARD], who has joined me, to add his thoughts to this issue.

Mr. WARD. I appreciate that. And I appreciate the gentlewoman from Connecticut allowing me to participate in this with her this afternoon.

In thinking about this issue I have been struck, as I am sure you have been, by the whole notion that somebody would do something as drastic and which represents such a commitment, as to give up their citizenship, to renounce their citizenship.

And what I have tried to think about, what I have come to in my mind, and what occurs to me, can you imagine, you go to church and you are afterward outside in front chatting with your neighbors and friends and somebody says, ''Mike, I haven't seen you for a bit. Where have you been? I haven't seen you here.''

And I can't imagine putting myself in the position of saying, ''Well, Bob, or Mary, I moved to the Bahamas.'' ''Moved to the Bahamas? Oh, really? Why?'' ''Because I wanted to avoid income taxes. I wanted to avoid U.S. taxes, so I have renounced my citizenship.''

Can you imagine? And I put that question to the gentlewoman. Can you imagine saying to your friends and neighbors, for tax purposes, to save money, I have renounced my citizenship?

Ms. DELAURO. One, it is not something that I would do. I am not in a position to do that, nor would I do it. And I would be embarrassed. Really embarrassed.

I think when the gentleman talks about this, I think of the number of people. I treasure my citizenship. I think most Americans do that. And I think about the people who want to come to the United States. They want to be here. They would like to be citizens of the United States. They would like to participate in the life of this country and its cultural life and its economic life.

They would like to raise their families in this Nation. And we have people who have had all of the advantages and could truly contribute in a very fundamental way to the well-being of this country and they decide that, well, it is okay. If it deals with a tax advantage, I can blow it off. What does my U.S. citizenship mean? I can just blow it off.

Mr. WARD. If I may, sometimes we all, when we are growing up, we think: What would my mom think of this? You tell the people that you meet in your neighborhood. That is one thing. But imagine telling your mom or dad or your kids that is the reason I have made this decision.

I had the good fortune to serve overseas for the United States of America. And I saw there people who were dying to come to America. And if you look in the Caribbean, you have to look no farther than that, or the Rio Grande, to see people who are literally, literally dying in an attempt to come to America.

So what we are faced with is this curious dichotomy of people on the one hand who are risking their lives, who are doing everything within their power economically, spiritually, everything within their power to become part of this wonderful thing we call America. While at the same time, people who have had a lifetime of benefiting from being in America, people who either by fortune of their birth or fortune of their skills and hard work have been successful in a way that only Americans seem to be able to be in the world, or certainly a large part of the

reason that people are able to succeed is because they are here in America where free enterprise does reign, which I support wholeheartedly.

□ 1700

I come from a completely business background. In the 20 years since I got out of college, 16 of those years were spent in private business, in private business working trying to get ahead, trying to be part of the American dream.

To see folks who have had this benefit, who have come to a position in their lives where taxes are that big an issue, to see them jump through a loophole which has been intentionally left in the law, and we need, I guess, to speak to that for a minute so folks understand the history of this.

This is not just some quirky loophole. This is something that has been intentionally left in the law so that maybe as few as a dozen or two dozen people in a year's time will take advantage of it. Surely they do, surely they take full advantage so that on the one hand they have this wonderful country, this wonderful set of opportunities of being an American, and on the other they make a financial decision to say, ''No, it is worth it to me financially to turn my back on my country.''

I do not understand it.

Ms. DELAURO. I do not understand it either.

My father came to this country as an immigrant. The greatest joy in his life was to be an American citizen, gave back to his community and still instilled that love of country and love of community in me, and one works hard. I admire people who succeed, but what you do is you try to give back in some way.

As you pointed out, these are folks who are eminently able to be able to give back, and for a financial gain they would turn their back on the United States.

And you talk about a history, what I find equally outrageous is that there have been a number of times over these past several months where there has been an attempt made to shut down this loophole, to close it by well-meaning people, by people and on both sides of the aisle, in some instances.

Mr. WARD. Democrats and Republicans.

Ms. DELAURO. Who want to shut it down. It is wrong. And we have seen over and over again, month after month, that every time this comes up, those who are in the leadership, the Republican leadership in this House, have either taken no action or have rejected the opportunity to close the loophole.

Mr. WARD. Well, of course, I would remind my friend from Connecticut these are the Republican leaders who are insisting that people earning $200,000 a year are middle income. So, obviously, they have got a little problem with their math and their understanding of the way this world works and the way this country operates, and maybe it is that tin ear, that tin ear that just causes people not to have a full understanding, that causes that same misunderstanding on this issue, because it is America, it is what we are lucky enough to be part of that has given this opportunity to these folks who have done so well.

And remember, I think I can paraphrase it, but I cannot say it word for word from the Bible, ''But to whom much is given, much is expected.''

Ms. DELAURO. Much is expected, I agree. And I think about the working middle-class families who are out there who play by the rules, who do what is right, trying to educate their children, trying to pay that mortgage every month; if they have elderly parents who are on Social Security and Medicare, all of those things are in jeopardy at the moment, and we have been talking about that, and it is an issue for another time.

But those are serious issues which working families are facing today: How are they going to get their kids to school? What happens if student loans go away? What happens if their parents are in a nursing home and Medicare is cut, which it is going to be cut?

Mr. WARD. The sandwich families.

Ms. DELAURO. That is right, those people squeezed at both ends because of this Republican budget, and then you turn around and you find that this small group of folks who are billionaires are just going to take their money and run, if you will, and those folks who are struggling every day would not for 1 minute ever do that or think about doing that.

Mr. WARD. To the contrary, to the contrary, those are the folks who are being careful to pay their full share. Those are folks who, we are folks, the way I have been brought up, the way my wife and our children and I have lived our lives, we do not think about getting a receipt when we are out for a family dinner because maybe we can write it off. We do not think about those little dodges. But those pale in comparison, just pale in comparison to the notion that people who, and I wonder about this, there was a movie one time, a fellow was offered an amount of money if he could spend so much within a certain time, within 24 or 48 hours or a week, and he was told, ''You can have $1 billion if you can spend a million within a week. You cannot give it away, and you cannot invest it; you have to spend it.''

Well, in thinking about that movie, I am thinking about these people. If they are billionaires—and they are, at least multi-multi-hundreds of millions is about the least this would have an impact on. What are they going to do with it? Are they going to be like these folks we just found another group of in Egypt who try to take it with them? Because we all know you cannot take it with you.

Ms. DELAURO. You cannot take it with you.

Mr. WARD. So their goal, apparently, is to take it with them to the Bahamas or some other offshore no-tax location and leave behind, leave behind the very country, the very symbol of opportunity to succeed on this globe that we call America. It is just perplexing.

Ms. DELAURO. You know, I think in so many ways in terms of the debates and the conversations we have been having in recent months that this not closing this loophole down, quite frankly, is not out of character with what we are seeing from the GINGRICH leadership here in the sense that when you are looking at the tax package and the budget, which 51 percent of the benefits go to people making over $100,000, when the bulk of the emphasis is on the special interests, the corporate special interests and their tax breaks are being paid for by cuts in Medicare, by cuts in student loans, by cuts in the student lunch program, which we saw. So that is another piece of this philosophy.

Mr. WARD. This money does not come from nowhere, does it?

Ms. DELAURO. That is right.

Mr. WARD. The money has to come from somewhere.

Ms. DELAURO. This is not, in essence, a free ride. You have got to be able to pay for these things.

The other piece is, by eliminating the alternate minimum tax, that tax which was put in under Ronald Reagan, again for the richest corporations, that says, ''You have to pay your fair share. You pay at 20 percent. You pay at 20 percent.''

With elimination of that, it is a $17 billion windfall to the richest corporations in this Nation.

But it is part of a pattern, and, again, I hold out, and I hope my colleague feels this way, that on this loophole issue that we will come to some sort of a bipartisan conclusion to eliminate it, to end it, and to put our emphasis on working families, on our veterans, on our seniors who have done so much for this country, and that we do not try to balance this budget on their backs, but take a look at where else we might start this process of a balanced budget.

Mr. WARD. It is important in that vein to point out that we have a resolution that I am proud to have been the sponsor of. In fact, it is the first bill or resolution that I have sponsored as a Member of this body, having been elected just this year.

That resolution would bring to the floor a bill that has been introduced by the ranking member of the Committee on Ways and Means, the gentleman from Florida [Mr. GIBBONS], which will close that loophole.

On that resolution, I am proud to say we have almost 100 cosponsors, almost 100 people, and I ran out of time to get more. I ran out of time to talk with folks, to visit with folks, to explain the issue before I was ready to put the bill in and move forward with it.

But where is that resolution now? It is lying; it is lying in the Clerk's in

basket, figuratively speaking, because it is not being brought to the floor for a vote.

All indications are it will not be brought to the floor for a vote, because it sets out to do what we need to do to deal with a billionaire expatriate tax loophole. We need to tell our neighbors, we need to tell our friends to talk to their Member of Congress, to ask them, Did you cosponsor MIKE WARD's resolution? Did you cosponsor a resolution which will deal with this problem, which will give the opportunity for the full Congress to debate it, and if you did not, why not? And if it comes to the floor, how will you vote?

That is what we need to make sure people ask their Member of Congress next time they see them.

Ms. DELAURO. I commend my colleague for the work that he has done on this issue, and I appreciate your taking the time and joining with you in this conversation, and I am sure there will be many more of them in the best interests of the working people of this country.

THE REALITY OF AMERICAN LIFE

The SPEAKER pro tempore (Mr. HAYWORTH). Under the Speaker's announced policy of May 12, 1995, the gentleman from Vermont [Mr. SANDERS] is recognized for 60 minutes.

Mr. SANDERS. Mr. Speaker, I hope in a little while to be joined by some of my colleagues.

Mr. Speaker, as the only independent in the Congress, I think what disturbs me most about much of the dialog which takes place here is, in fact, that the most important issues facing the American people, the reality of life in our country today, is simply not talked about enough. Every day there are heated debates that take place here, and charges and countercharges, all kinds of issues are raised, but sometimes I think that the reality of American life as it exists today really is not adequately addressed.

And before we get into the issue of the budget, which I want to get into, and I hope some of my colleagues will be getting into with me as well, let us talk about reality in America today, a reality that we do not see too much discussed here. We do not see it on CBS too much, or NBC or the New York Times or our hometown papers.

Mr. Speaker, I would argue that the most important issue facing the American people is that for the middle class of this country, for the average working person of this country, for those tens and tens of millions of people who constitute the vast majority of our citizenry, for those people this country is becoming a poorer and poorer country.

Since 1973, when America reached its pinnacle, its high point in terms wages and benefits for ordinary working people, since 1973, 80 percent, four-fifths of the American working people have experienced either a decline in their real wages, in their standard of living, or stagnation. That means they have worked for over 20 years and they look back and they have gotten nowhere in a hurry. That is 80 percent of the American people.

Average weekly earnings from 1978 to 1990 declined, went down by 13½ percent.

In 1979, the average weekly wage in the United States was $387. 10 years later, in 1989, in terms of real inflation-accounted-for dollars, that wage had dropped to $335. People are working, but their standard of living is in decline.

What is perhaps most frightening is that for young workers, their real wages have declined even more.

There was a study done not so many months ago which indicated that for young male high school graduates going out into entry-level jobs, young men were earning 30 percent less than was the case for similar high school graduates just 15 years ago.

So, when parents look out and they are working hard and they are seeing their standard of living declining, what is even more painful for them is they look out and they are seeing their sons and their daughters going out into jobs which are paying even lower wages.

Mr. Speaker, between 1988 and 1993, worker productivity in the private sector increased by 5.9 percent. That is the good news.

The bad news is that during that same period, average hourly earnings declined by 4 percent. By 1993, the typical family had lost $1,400 of the buying power it had in 1991.

Mr. Speaker, one of the frustrations we talk about, why the American people are angry, why the American people are frustrated, a study done by Juliet Shaw was done at Harvard University which indicated that for American workers to maintain their standard of living, they had to be working now an extra 1 month a year, either in overtime or in second jobs, and in my State of Vermont it is not uncommon to see people working three jobs.

□ 1715

Mr. Speaker, 40 percent, and this is an important fact, we talk about welfare reform, so forth and so on. Forty percent of the families in America today who live in poverty have a full-time worker. This is not unemployed people, this is not people just sleeping out on the street, and one of the reasons that our low-income workers are doing worse today than they did 20 years ago is that the minimum wage today, at a disgracefully low $4.25 an hour, has a purchasing power which is 26 percent lower than it was 20 years ago.

Mr. Speaker, we look in the newspapers, and they tell us that unemployment is not such a serious problem. Maybe it is 5 percent, maybe 6 percent. Countries all over the world, in Europe or Scandinavia, they have higher rates of unemployment, but I would argue, Mr. Speaker, and I think many of our leading economists would argue, that in real fact unemployment in America is actually double than what the official statistics tell.

Why is that official statistics do not include discouraged workers? That means people are living in communities where there are just no jobs. They do not go out, so therefore they are not counted as part of the unofficial employment statistic, and perhaps even more importantly part-time workers who want to work full-time are also not included as part of the official unemployment statistic.

One of the very frightening aspects of the modern American economy is that when we look at the new jobs that are being created, are they good paying, 40-hour-a-week jobs? No, they are not, not in Vermont, not in the vast majority of the States in this country. Many of the new jobs that are being created are part-time jobs. You have people who want to work 40 hours a week, but they are getting 20 hours a week without benefits. Are they counted as unemployed? No, they are not.

So I would just conclude my initial remarks, Mr. Speaker, and welcome the gentleman from Oregon [Mr. DEFAZIO] here by just simply saying, ''Before we talk about the budget, before we can talk about why the American people are angry, the most important reality is America has the right to be angry. Our people are working longer hours for lower wages, for less vacation time, for fewer benefits than was the case 20 years ago.''

But on the other hand there is another reality which is going on. Are all the people in America seeing a decline in their standard of living? Are we all in this boat together? The answer is probably we are not.

A recent study in the New York Times: The richest 1 percent of the population now owns 40 percent of the wealth of America. We have the most uneven distribution of wealth in the entire industrialized world. The richest 1 percent owns more wealth than the bottom 90 percent. Upper income, 4 percent, earns more income than the bottom 51 percent, and, the gap between the rich and poor grows wider, the middle class continues to shrink. That is the reality of American life today for the middle class for the working class, for low-income people.

Having said that, I am delighted to welcome, to my mind, certainly one of the outstanding fighters for working people in this Congress, the gentleman from Oregon [Mr. DEFAZIO].

Mr. DEFAZIO. And I guess the follow-up point would be what caused these inequities and what can or should we do about it?

I would say in good part you can lay the blame for the extraordinary pauperization of the middle class of this country to two major areas of policy, probably three: The tax policy of this country, which has heaped more and more burden on middle-income

people and lightened the burden on those at the very top and the largest, most profitable corporations. In fact, the Republican budget, which passed the House here, would do away with the corporate alternative minimum tax. That means we go back to the days when a corporation like AT&T, as they did from 1981 to 1985, earned $1.3 billion in profits and not only not paid taxes—we all understand about loopholes and avoidance but—actually demanded and received a $200 million tax refund for taxes they did not pay. That is other Americans, people who work for wages, went to work every day, paid their taxes, and guess what? Part of their pay check went to give a $200 million tax giveaway to a corporation which had made $1.4 billion in the same years, and now we are being told that is what will take care of the problems of middle-income Americans. The Republican tax break bill repeals the corporate alternative minimum tax, and that will put Americans back to work at higher wages; give me a break.

Mr. SANDERS. Is the gentleman—let us go over that once again because people may be adjusting their TV dials there to get that straight. Is the gentleman suggesting that, if the Republican proposal here in the House goes into effect, that the largest corporations in America making billions of dollars in profit will pay less in taxes than the average working stiff making $25,000 a year? Is that what the gentleman——

Mr. DEFAZIO. I am saying that will be true, and in fact, if we go back to the pre-alternative corporate minimum tax days, the 1980's, we could say, in fact, that those same working people will pay taxes so that tax credits can flow to those companies.

The other issue there would be, of course, the United States stands alone in the industrial world in not taxing foreign operations in the United States or multinational corporations. We have adopted such a limp section to the Code of taxation that virtually every major multinational and foreign corporation in this country pays no income taxes no matter how profitable they are because they upstream or downstream their profits to other lower tax countries. They are not paying their fair share, yet every day, every week, every American sees their taxes go up. They see the deductions out of their paychecks, but, no, Honda does not make any money in the United States of America. They just sell cars here. Toyota does not make money in the United States of America. They just sell cars here.

Mr. Speaker, if we adopted the same system of taxation that all of our major trading partners have adopted, the estimates are we could raise $40 billion to $60 billion next year; that is about a third of the deficit. We can raise it by just taxing the profits of multinational and foreign corporations the same way that every one of our major economic competitors does.

Mr. SANDERS. If I could interrupt the gentleman, would they not be upset? Would they then go to Republican and Democratic fund-raising dinners and contribute tens and tens of thousands of dollars? I do not understand what you are saying. If we tax them, how would they contribute huge sums of money to the Republican and Democratic Parties? Surely the gentleman must be joking.

Mr. DEFAZIO. Well, perhaps that is the bottom line here. It is, you know, how the money flows in Washington, DC, how the influence flows in Washington, DC. As my colleague knows, in the office of the special trade representative, a study I saw said that 74 to 75 percent of the people who worked in the President's Office of the special Trade Representative have become foreign agents; that is, they are now representing foreign nations against the interests of the United States in trade and economic policy. You know we have got to close these revolving doors. We have got to reform campaign finance. We have got to reform the gift rule. But somehow it did not fit into the Republican Contract on America. No gift reform, no campaign finance reform; those things got left out, to be done later, of course.

Mr. SANDERS. We are delighted to be welcoming the congressman from New York City, from Brooklyn, MAJOR OWENS.

Mr. OWENS. I want to congratulate the gentleman for holding this special order in response to the latest developments with respect to the endorsement of the balanced budget concept by the President and your present discussion of taxes, of revenue. I hope that we are going to have much more of this kind of discussion and invite the American people to take a very close look at revenue measures to produce revenues and taxes. We have an era, certainly in the Democratic Party, and maybe the gentleman from Vermont [Mr. SANDERS], as an Independent, does, too. By not talking enough about taxes, we leave that to other people, and we have a situation where, when bills were related to the revenue taxes have come to the floor of the House, it has always been from the Ways and Means Committee, and the rule always was that you could not make a single amendment. They always came, and you voted it up or you vote it down.

So the Ways and Means Committee has been in charge of tax policy for the Congress for the last 20 to 30 years, and they are responsible for something which the American people ought to take a very close look at, and that is the great swindle of the American taxpayer by reducing the amount of the tax burden borne by the corporate sector, reducing it drastically, from almost 40 percent, 39.8 percent in 1943, down to 8 percent in 1980, and then presently it is 11 percent even after President Clinton has taken steps to get it back up.

So you look at that on the one hand. They reduce the corporate income taxes, and the individual taxes have gone up from 27 percent in 1943 to the present 44 percent in 1995.

So there has been a great swindle in terms of reducing the revenue, the portion of the revenue burden borne by the corporate sector and raising the portion borne by the individual.

While we are on the subject of balanced budget, let us invite all of America to take a very hard look at the way we derive our revenues.

Mr. SANDERS. The gentleman is absolutely right. Between 1979 and 1989, when the rich were getting richer, the number of taxpayers reporting adjusted gross incomes of $200,000 a year or more grew by 8 times. A lot more people were getting rich. Meanwhile, according to the House Ways and Means Committee, tax savings in 1992 for families in the upper 1 percent income bracket, total tax savings, totalled $41,886, a result of the drop in the effective tax rate for those families—it is the upper 1 percent—from 35.5 percent in 1977 to 29.3 percent in 1992.

So the point that the gentleman makes is absolutely right. When we talk about why we have a $4.7 trillion debt, how can we not talk about the huge tax breaks given to the wealthiest people in America and to the largest corporations?

Mr. DEFAZIO If the gentleman would yield for a moment, perhaps we can bring the discussion to what we are confronted with today.

The House Republican budget starts out moving the United States toward a balanced budget by first further reducing taxes on the most wealthy, those who earn over $100,000 a year, and on the largest, most profitable corporation by $353 billion.

So they first start with a—here we are. We are in the hole. We are all agree we need to have fiscal responsibility and move toward a balanced budget. First thing we do is we make the hole $353 billion deeper in order to benefit people who earn over $100,000 a year and in order give further tax relief to the corporations, and, as the gentleman from New York pointed out, who were paying taxes at about—what is it? About a quarter, a third of the rate——

Mr. SANDERS. Let us repeat that once again. Let me just ask the gentleman this question: Every day we hear about the crisis of our national debt, every day, every day, and we all understand the importance of that. Is the gentleman suggesting that one of the major ways the Republicans are proposing to deal with our national debt is to give huge tax breaks? Is that a strategy to deal with the deficit?

Mr. DEFAZIO. We are revisiting trickle-down economics, the theory that, if we give those people who are much smarter than we are, who earn, you know, over $200,000 a year and control these corporations more money, that they will create more jobs and the

effects will trickle down. We are right back to the failed trickle-down policies of the mid-1980's. Those policies brought us record debt, record deficits and, as the gentleman pointed out, consistently caused the decline in the standard of living of middle-income families.

Mr. SANDERS. Let us review, if I might. Let us review again who is getting those tax breaks. Obviously, one would think that, if one decided to give tax breaks, and that is a debatable issue, clearly you were giving it to the working people, the people who are in most trouble. Interestingly enough, if you look at the Republican budget, the wealthiest 1 percent, the people who need the tax breaks the least, are getting more in tax breaks than the bottom 60 percent.

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Mr. DEFAZIO. You are talking at the top, generally the people in the top will be getting breaks that average up to $40,000 off of their taxes, compared to $500 for a $40,000 a year family. This is not restoring equity to the tax system.

Mr. OWENS. What is important for the American people to understand, and you ought to listen carefully and ought to demand from your Congressman an explanation as to why this is happening, why are you giving these tax breaks to the rich? Why are you continuing the trickle-down theories of Reaganomics?

Ronald Reagan's explanation, he had an explanation, and he gave it, and it has been proven to be totally wrong, that if you will give the appropriate tax cuts and tax breaks to the rich and to the corporations, their investments will create activities which will in turn create jobs. The investment activities, will create jobs.

It is obvious, the empirical evidence showed it did not happen under Reagomics. It will not happen now either. We have wealth being accumulated in this country at unprecedented rates. The very rich are getting rich faster. Wall Street is booming. Yet no new jobs are being created. The jobs are going the other way. You have a jobs economy over here and a Wall Street economy over here, and there is no relationship between the two, because as they invest more money they can buy more automated equipment or take their operations overseas and manipulate in many, many different ways to make additional money off their investments without creating jobs. They are downsizing the jobs, they are streamlining, they are doing all kinds of things where they have no bargaining power. We are all going to end up being suburban peasants or urban serfs, who have no choice almost, because of the tremendous power of these corporations.

The power we have as voters in this democracy is to demand that we begin to reverse this by forcing those who are making the wealth to pay more into the general funds that are needed in order to promote the general welfare and provide for the public sector investments that are beginning to drive the economy in a different direction.

Mr. SANDERS. The gentleman makes a very important point. The theory of giving tax breaks to the rich and to large corporations is if we give them tax breaks, they are going to reinvest in our communities and create jobs. It sounds like a good theory. Unfortunately, all of the facts indicate that that theory is totally bogus, given the reality of what is happening. The gentleman from New York points out that major corporation after major corporation, the same ones that got huge tax breaks in the early eighties, the same ones the Republicans want to give huge tax breaks to now, what they have done is use those tax breaks to develop more automation. Major corporation after major corporation has laid off huge numbers of American workers. We are talking about millions of workers.

The other thing they have done after we give them tax breaks, is they invest abroad. They are investing in Mexico. Why do you want to pay an American worker ten bucks an hour, fifteen bucks an hour, when you have a Mexican working for a buck an hour? How about China? How many Americans know that American corporations are investing tens of billions of dollars in China. Do you know what the wages are in China? Twenty cents an hour. Last year American corporations invested $750 billion abroad. Every major in America, every Governor in America, is begging on their hands and knees for corporations to reinvest in their communities, and these corporations get the tax breaks and they go abroad.

Mr. DEFAZIO. If the gentleman will yield for a moment, I would like to point out it was the esteemed Speaker of the House of Representatives who said that in fact we cannot raise the minimum wage for the American working people because of our competition with Mexico. Of course, the Speaker supported the North American Free Trade Agreement, which I bitterly opposed and have introduced legislation to repeal. Just to recap on that, we were told it would create jobs in America. We were told that it would help the United States balance of trade, it would stabilize Mexico.

Those of us who opposed it said we believe we will export jobs, we believe that we will run a trade deficit with Mexico, and we believe that it will further destabilize Mexico. We were a little bit wrong, because we could not realize that not only would it destabilize Mexico, continue the current corrupt system, that the peso would be devalued and the standard of living would fall by nearly 40 percent for every Mexican worker, but that we would be running already this year, we are headed toward a $20 billion trade deficit with Mexico, which means we will export 400,000 jobs to Mexico this year. We never could have predicted we would have to pay for the privilege of exporting our jobs to Mexico, which is what we are doing today with the bailout of the speculators who were so actively engaged in the Mexican economy and the few billionaires who run the Mexican economy and the corrupt political system they have.

U.S. tax dollars are going to bail these people out. We are paying for the privilege of running a trade deficit. The Speaker tells us we cannot raise the minimum wage for the American workers because they have to compete with the Mexican workers, whose salaries just went down by 35 percent. And then on another day he said, ''By the way, the competition is in south China.'' So apparently we have already quickly moved from Mexico, because those people are earning as much as a dollar an hour, and now suddenly the American workers not only have to compete with them, the American workers are not supposed to compete with slave labor in China, or those who are paid at the rate of 20 cents an hour.

Mr. OWENS. Could the gentleman just linger for a minute on Mexico. I hope that, again, every American voter ought to be angry. There is good reason to be angry. But we ought to focus and direct our anger in ways which are more effective and at the real source of the problem.

I said before we ought to be angry at the fact that corporations have gotten away with so much over the last 30 years, and certainly they have dropped all the way down to now paying 11 percent of the tax burden while individuals and families are paying 44 percent of the tax burden. That is enough to be angry about.

But Mexico in particular, it ought to make us turn red, all of us, with anger, because we first have NAFTA, a situation which was created by a sweeping change in public policy, that created a situation which was even under the best circumstances going to hurt the American workers. It was designed to make the rich get richer, to have the corporations have every advantage in terms of export, import, exploitation of cheap labor in Mexico. All of it was designed to help those same people that the Republican tax cut is going to help.

On top of the inevitability of it hurting working people comes an additional burden of us having to bail out the Mexican economy to the tune of $20 billion. It is enough by itself for you to be angry at the Government. When I say government, I do not mean just President Clinton, I mean also the leadership of the House and the Senate, and all of those great majority of the Members of Congress who went along with NAFTA and GATT. You ought to be angry, you ought to talk to them about the mistakes that they have made, and they have to reverse those mistakes. They have to now focus on an economy which is going to promote the general welfare of America.

The Japanese are being criticized for their protectionist trade policies, their closed society. The Japanese protects its middle class society. It almost has no poverty class as a result of the fact it takes the necessary actions to guarantee everybody is going to be able to make a living. So be it. Let the United States also. As voters we can demand a series of public policy decisions which lead to the protection of our way of life, of our standard of living, and we can make contributions to the rest of the world in terms of holding up that model.

Unfortunately, we have let the situation deteriorate to the point where we are headed rapidly to the bottom in terms of the standard of living of our workers, while Germany has the highest standard of living in the world. And I am not criticizing that. The German worker gets 6 weeks vacation, family and medical leave off with pay. They have very high wages. I am not criticizing them for that. It could happen here, if we had a different set of public policies and took control of our Government.

Every person who votes has an opportunity to have an impact on this public policy. America, we should stop sitting by as spectators while the Committee on Ways and Means and the White House and NAFTA, GATT, and all these other institutions weigh down upon us and force our standard of living down.

Mr. SANDERS. The gentleman makes two, I think, very, very important points. He explains that in America we are angry, and we have good reason to be angry. But what the Rush Limbaughs of the world and the Republican leadership are trying to do is getting us all angry at each other.

Every day it seems like there is a new group that we are supposed to hate. On Monday we are supposed to hate the gays, and on Tuesday we are supposed to hate the immigrants, and on Wednesday we hate the welfare recipients, and Thursday it is antiblack day, and Friday it is antiwoman day, and on and on it goes. And yet we are never focusing on the real group of people who hold the power in this country, and that is the very, very wealthy and the large multinational corporations who contribute huge sums of money to Members of this Congress, who control this Congress and write the agenda for this Congress.

I think what all of us are saying, in different ways, is that maybe the time is long overdue when the middle class and the working people and the low-income people and the women and everybody else began to stands together and say that there is something wrong when our standard of living is going down and when the richest people get richer.

The gentleman from New York made a good point. There are some people who still hold the illusion that we are No. 1 in the world, we are the wealthiest country in the world. Not for working people you are not. Germany, manufacturing workers in Germany now make 25 percent more than our manufacturing workers.

Do you know why corporations from Germany and Scandinavia and Europe are investing in America? Cheap labor. We now can give them cheap labor. That is what is happening. And that is a real shame.

What I would like to do now with my colleagues, if we might, we want to talk about the budget, the Gingrich budget, the Clinton budget. We are trying to give some background as to how we got to where we were. We talked about the fact that one of the reasons for the national debt is huge tax breaks for the rich and the largest corporations. There is another area that is worthy of at least some discussion, given the vote today, and that is the role of military spending.

Remember, $4.7 trillion debt. Obviously the cold war is over. The Soviet Union does not exist. Clearly I would imagine that today, having voted on the military budget, there was a major decrease in military spending. Is that correct, Mr. DEFAZIO?

Mr. DEFAZIO. Well, the gentleman knows that in fact the second part of the major part of the plan of the new Republican majority to bring us to a balanced budget after the massive tax break for the wealthy and the large corporations is the increased military spending. It is obviously an absurd formula. You cannot spend another $92 billion over the next 7 years on the military to build weapons that even now the Pentagon said it does not want, it does not need, and have no practical purpose.

The House voted this week, with very little exposure to the public. This bill was brought forward under a very restrictive rule and we were allowed one amendment on the B–2 bomber. At $1.5 billion each for bombers which the Pentagon says have no purpose in the post-cold-war world, and yet the House of Representatives voted by a substantial margin, lockstep on the Republican side, followed by a number of Democrats, to build another 10 B–2 bombers at the cost of $1.5 billion each, something the Pentagon said it does not want, does not need, and cannot use, in addition to putting more money into the star wars fantasy.

We have spent $36 billion on star wars since Ronald Reagan first unveiled this vision in the early eighties and you know what the net result is of the money on star wars? One faked test over the Pacific Ocean, and the Pentagon admits they faked it. They could not hit the incoming missile. One missile, not a fleet. They put explosives in it, they hit a button, it blew up, and they said look, star wars works. It does not work, and it is a very expensive fantasy.

Mr. OWENS. I want to linger for a moment on the B–2 bomber, the cost of building the B–2 bombers. I think is a $31 billion price tag over a 5-year period.

Now, the B–2 bomber, the Air Force said we do not want it, we do not need it, it actually is counterproductive because it will mean funds will be spent for an item that we do not need and they will be taken away from many items we do need.

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So the Air Force says that. The Joint Chiefs of Staff says that we do not need it. We do not need it. We do not want it. The Secretary of Defense: We do not need it, we do not want it. It is not in the President's budget. He does not need it and he does not want it.

I am sorry, but I think every voter out there ought to ask their Congressman, did you vote to continue the funding for the B–2 bomber? If you did vote to continue the funding for the B–2 bomber, in light of the fact that all of the experts, all of the military, everybody says we do not want it, we do not need it, it is a waste, then you have no right to talk about waste in Government ever again. You have no right.

That was a perfect example. Why would anybody vote for the B–2 bomber? It is the worst kind of pork. It is the pork from the military industrial complex, the people have been absorbing much too much of our budget over the last 20 years. It is pork, pork, pork. It will generate a profit for the people who manufacture the bomber. It will generate a profit for the stockholders who will have invested in that corporation. It will generate some jobs for some workers. But you could create three times as many jobs for $31 billion in the civilian sector if you choose to spend the money to create jobs than you can create by building B–2 bombers.

Mr. SANDERS. I want to keep the discussion moving in this direction. All of us, the three of us, and almost everybody in the Congress recognizes that we have a very serious deficit problem, very serious national debt. But what we are talking about and wondering about is how do you move to lower the deficit when you give huge tax breaks to the rich, when you expand military spending, despite the fact we do not quite know who our enemy is, when you build planes that the Pentagon does not want.

But if you are going to move toward a balanced budget in 7 years, as Mr. GINGRICH wants, or 10 years, as the President wants, something has got to give. If you give tax breaks to the richest people in America, you are going to have to cut someplace. If you build $31 billion of B–2 bombers that the Pentagon does not want, you are going to have to cut someplace. Let us briefly talk about some of the areas where there will be cuts. OK?

Medicare. What are they doing to Medicare in order to give tax breaks to the rich?

Mr. DEFAZIO. It is interesting, we had a lot of discussion of health care

here last year. We had considerable opposition on the Republican side of the aisle and they said there was no problem with the health care system. It did not need a Federal fix. They did not mention Medicare as being in deep trouble or being bankrupt.

They came up with a Contract on America to run for election. There is nothing in there about health care or Medicare. Earlier this year we passed emergency legislation, the rescissions legislation and the emergency spending for disasters. No mention of a disaster impending in Medicare or a need for changes in Medicare.

It was only after legislation had been adopted to cut taxes, predominantly for people who earn over $100,000 a year and the largest, most profitable corporations by $350 billion that suddenly we found that we need to reduce Medicare spending by nearly $300 billion.

A cynical person would say there was some linkage between the sudden need to reduce Medicare spending and the huge tax giveaways. Of course, that is denied. They want to reduce Medicare by $300 billion in order to improve the program for seniors, the same seniors now who cannot afford prescription drugs, if they can afford the co-payment to go to the doctor and get the prescription. We are going to improve the system with no plan but just by reducing it by $283 billion over the next 7 years.

Mr. SANDERS. So what are we talking about? Again, please follow the discussion: huge tax breaks for the rich, significant increase in military spending, major cutbacks in Medicare, which will undoubtedly mean that elderly people who today cannot afford the cost of health care will have to pay more out of their own pockets, major cutbacks in Medicaid to impact on the elderly and the poor, major cutbacks in veterans' programs.

I always get a kick out of whenever there is a war, everyone tells us how much they love our soldiers and the veterans. But let us be clear. In the Republican budget and in Clinton's budget, we are talking about many billions of dollars in cutbacks for our veterans, many of the people who fought in World War II, they defeated Nazism, the VA needs more help, not less money.

Also we are talking about major, major cutbacks in student loans and in education. I know that Mr. OWENS and his community are very concerned about the high cost of education. We want our people to get a college education. What does this budget do to the ability of your constituents and mine to get a college education?

Mr. OWENS. Well, New York City has a long tradition of having education available at the higher education level for great masses of students. New York City has been the place where large numbers of immigrants have come in and found opportunity. Our City University was established at the height of the Depression, so we were able to maintain City University during the Depression, and now we are saying we cannot do it. We have to increase the tuition cost.

First of all, for years there was no tuition at all, and then we imposed tuition, and now we have to increase the tuition cost because we are getting less aid from the Federal Government and less aid from the State government. So at a time when the society is far more complex than ever before, at a time when we are stating clearly that any person who does not have a high education is at great risk in terms of being able to be employed for most of his life, and on the other hand those that do have higher education, statistics and studies have shown they cannot be employed, they put back in the economy, they give back to the government through the payment of income taxes and they are more productive citizens. All of those things are highly desirable. Yet in the Republican budget they go so far, not only do they make it more difficult for college students by adding to the burden of their college loans, they eliminated the Department of Education totally.

The elimination of the Department of Education means you have no coordinated approach to education and a situation every day where education becomes more important.

I would like to backtrack for just a minute to make a comment on Medicaid. Very little is being said about Medicaid because it is assumed that Medicaid is for the poorest people in the country. Therefore, Medicaid has no political clout. We are just going to dump them overboard. The Republicans are proposing to take away the entitlement to Medicaid. Entitlement means that everybody who gets sick, who is eligible because they do have to pass a means test and they have to be income eligible. That person is guaranteed to have assistance from the government on health care once they qualify.

To take away that entitlement means that if people get sick near the end of the budget cycle they will be told by the State that there is no more money. Medicaid is being cut more drastically than Medicare, and Medicaid is not just a program for the poorest families. Two-thirds of the Medicaid funding goes to the elderly and to the disabled.

Many people who start out as middle class citizens when they get ill and are ill over a period of time, they are forced to spend so much money until they end up in nursing homes, and those nursing homes are paid for by Medicaid. The largest percentage of Medicaid funds are going to nursing homes. So we are not, I hope that the voters in general frown on creating a second class health care system for poor families, but you are not just hitting poor families in that second class health care system. You are hitting people who will become, that they will drop out of the middle class and become nursing home patients, and Medicaid will have to pay that bill.

Mr. DEFAZIO. Just on the education issue which the gentleman raised, we adopted in the last Congress an innovative idea. That is, why not have the schools make direct loans to the students, take out the banks as middle persons. The banks have been getting very high rates of interest for loans that have no risk. The idea is you get interest because of risk. The president of the University of Oregon at the time came, did calculations and he said that for the same amount of Federal money we could give another 600,000 students full entitlement to student loans if we just took the banks and the bank profits out. The Federal Government lends the money through the schools and, you know, the Federal Government knows how to collect money. They know where everybody is.

So I am not worried about defaults. But do you know what, the Republican budget wants to do away with direct student loans and put the banks back in the middle. That means take away the loans of 600,000 students so that the banks can make a guaranteed profit on a risk-free loan backed by the Federal Government.

That is just one more form of corporate welfare, and that I think segues us back into what is a better vision for a balanced budget. And I would just like to, I have to leave the floor; if I could just lay out a couple thoughts and then I will yield to the gentleman.

The idea that we have talked about earlier which is that the largest, most profitable corporations are not carrying their fair share, that foreign corporations are virtually paying no taxes in this country, that the largest gold mining operations in the United States on public lands are foreign owned and paying no taxes to the United States of America. There are estimates that there is $150 to $200 billion a year, credible estimates that come from the far right, the Cato Institute, to the Progressive Policy Institute that say there is about $150 to $200 billion a year of corporate welfare out there. And if we went after just a fraction of that, we would not have to see any of these cuts in order to get to a balanced budget. Just a fraction of those revenues linked to reductions in military spending would move us dramatically in the direction we need to go.

Mr. SANDERS. I applaud the gentleman's remarks. He is absolutely right. I know the three of us and many others have been trying to focus this Congress on the issue of corporate welfare. When most Americans think about welfare, they say, my money is going to those poor people. Wake up. More money is going to the rich and to large corporations in terms of Federal subsidies and tax breaks than are going to the poor people.

I know Mr. OWENS worked on the issue of corporate welfare. I know you have some thoughts on it. Would you share some of those?

Mr. OWENS. Again, the burden that was borne by corporations in 1943 was 39.8 percent of the total tax burden. The burden that corporations have, the portion of the tax burden that corporations bear now is only 11 percent. Individuals started in 1943 about 27 percent, and now individuals are paying 44 percent of the tax burden. That is a fact that I cannot emphasize too much.

I think Mr. DEFAZIO has said before that one way you can gain a large amount of revenue, I do not have the actual figures before me, but they were all listed in the Congressional Black Caucus budget, we listed specifically where we would find the money, which added up to almost $600 billion over a 7-year period, $600 billion that would have come from such items as one mentioned by Mr. DEFAZIO, if you change the way you tax foreign corporations, if you change, just make a change from a tax credit that you utilize at one point and make it a tax deduction, you gain enormous amounts of money.

If you close a lot of various loopholes that have been made over the years, the oil depletion allowance is still there, it has been there forever. There are numerous loopholes that have been developed because the corporations have literally owned the Ways and Means Committee and the Ways and Means Committee, whether Democrat or Republican, has had the same approach of being the servant of corporations. So down, down, down has gone their portion of the tax burden, while the individual's portion has gone up.

Mr. SANDERS. Let me just pick up and give you a few more examples.

We talk about Federal aid to housing. The leadership here in the Congress says, we cannot afford affordable housing anymore. In fact, one of the lovely proposals was to cut back on Federal aid to homeless people with AIDS. We just cannot afford to provide any money to keep those people alive.

Let us talk about another interesting Federal housing program. That is the mortgage interest deduction up to mortgages of $1 million. Now, most of the people that I know in the State of Vermont, they do not have million dollars homes. Maybe it is $100,000 a house; maybe it is a $200,000 house. That is true throughout America. But interestingly, if you got a million dollar mortgage, the house can be worth more than a million dollars, you can deduct the interest on a million dollars of your mortgage.

Who gets that benefit? Think it is low income people? Middle income people? No. Obviously, upper income people who own the large houses are the major beneficiaries of that program. That is called welfare. But that is a different type of welfare, because you are helping the wealthiest people in America.

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Another program that I have paid a little bit of attention to is called OPIC, the Overseas Private Investment Corporation. The gentleman from New York [Mr. OWENS] and I were talking about the decline in our economy for working people. We are seeing corporations investing $750 billion abroad while they are throwing American workers out on the street.

The American taxpayers would be delighted to know that they subsidize this Federal agency, OPIC, $50 million a year, and what does this agency do? Its main job is to help American corporations invest in politically unstable countries abroad.

We have AT&T, DuPont, GTE, Ford, the largest corporations in America, while they are busy throwing American workers out on the street, they are getting taxpayer help in order to invest in politically unstable countries. If there is revolution or civil war in those countries, we have provided insurance for them, and in fact have a $6.3 billion insurance liability, and on and on it goes.

The point that the gentleman from Oregon [Mr. DEFAZIO], the gentleman from New York [Mr. OWENS], and I are trying to make is that we can move toward a balanced budget, but we can do it in a fair way. We do not have to savage Medicare, Medicaid, Head Start, WIC, student loans, food stamps, and many, many other programs that tens of millions of Americans depend upon.

One of the programs that the Republican leadership has proposed to eliminate is the LIHEAP program, which provides fuel assistance for low-income people; 40 percent of the recipients are senior citizens.

In my State of Vermont it gets pretty cold in the winter, 20 below zero, 30 below zero. We have a lot of low-income senior citizens who cannot afford the money for oil and gas to heat their homes. That will be eliminated. However, we can continue to provide an enormous amount of money for corporate welfare.

Mr. OWENS. Mr. Speaker, I just want to go back to the corporations' swindle in terms of their reduction of their share of the tax burden over the years, and mention that if you change the way you tax investments, income from investments, and the way you tax capital gains, which they are always trying to change, of course the Republicans want to lessen the rate on these items.

The Bible says man shall earn his living by the sweat of his brow. Those people who really sweat to earn their living, they are charged the highest rate. They are taxed at a higher rate than people who never sweat.

They make investments, they sell and buy items, and they make enormous profits, and that income is taxed at a much lower rate than the income earned by the guy out there is the plant who goes to work every day. Why? What is the justification?

There is no justification, except that the people who make the investments and who have the greatest gains from capital gains, they have the power. They have the power, and public policy allows them to be taxed at a rate which is much smaller than the rate of the person who works hour by hour for wages.

The wage earner has seen his taxes go up tremendously over the last 12 years. They do not call it taxes, as in the payroll taxes, the Medicare. There are various ways in which the take-home pay of the wage earners has been drastically reduced, at the same time we have had all these various programs to subsidize and to help increase the income of people who earn their income from investments and from sales or capital gains. Enormous amounts of money can be realized by changing the way we tax the capital gains.

Mr. SANDERS. The gentleman is absolutely right. What we have here is the Robin Hood proposal in reverse. We take from the middle-class and working people, and we give to the very, very wealthy.

I think the main point that we wanted to make this evening is that we also are concerned about a $4.7 trillion national debt and the very high deficit that we have, but we think that it is extraordinarily unfair to move toward a balanced budget on the backs of the middle class, the working people, and the low-income people, when at the same time we are giving huge tax breaks to the wealthiest people in this country, expanding military spending at a time when we do not need to do so.

Mr. Speaker, our hope is that the American people begin to focus on this issue and demand a little bit of justice in this Congress, so we can deal with the budget and with our deficit in a fair and reasonable way.

Mr. OWENS. Mr. Speaker, I would like to close on an upbeat note. America has a great future. The civilization of the Western world has a great future. Science and technology now drive wealth in the world. The more educated people we have, the more we build on the base of science and technology, the faster the wealth will increase.

The great injustice is that only a few people share in the benefits of this science and technology. It was created by people whose names we never know, by people whose names we do know, but they never derive any direct wealth from it, and we have built on it.

A lot of science and technology has been created by the American taxpayers. Many of the investments that are being made so profitably now on Wall Street related to the telecommunications industry, the computer industries, those were built upon research and development done by the military using the money of the American taxpayers.

All of us have a stake in this wealth that is being created by science and technology. The future of the world lies in this direction. If we focus on education and increase the number of educated people in the country, we can generate enough wealth to be able to meet all of the needs of all Americans.

If we use new revenue techniques, more creative techniques for getting revenue, so we derive the revenue from the areas where the greatest increases in wealth are taking place, then we can always meet all of the needs of all Americans without pain and suffering.

I think we can look forward to the future and not see a doomsday scenario of inevitable, ongoing deficits forever and ever, or suffering by the American people as a result of trying to reduce the deficit.

Mr. SANDERS. I thank the gentleman from New York for his thoughts, and I thank the gentleman from Oregon. What we are fighting for is an America which will provide well for all of our people, and not an America in which the rich get richer, and most of the people see a decline in their standard of living. I thank the gentleman.

THE REPUBLICAN TAX PLAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. STEARNS] is recognized for 10 minutes.

Mr. STEARNS. Mr. Speaker, I am delighted to come down here to talk about the Republican budget, and specifically, the Republican plan to reduce taxes. I saw, Mr. Speaker, that the President came out with his own budget. As many of you know in the House, we have included tax cuts that amounted to $350 billion. It included a $500 tax credit for every child in America, plus it reduced capital gains.

The Senate does not have these specific cuts, but they cut $170 billion if we balance the budget. However, I notice in the President's budget he included a middle-class tax cut. It includes 96 billion dollars' worth of cuts, including a $500 credit per child, and $10,000 college tuition credit for families earning less than $100,000.

I think, Mr. Speaker, when we talk about reducing taxes, it looks like the President of the United States has come on board, too. I would like to just briefly, in this 10 minutes, set the record straight. We have heard for too long now the Republican budget contains a tax cut that hurts the poor and benefits the rich. How can I say this, Mr. Speaker. There is no truth to this claim.

The Democrats argue that the Republican tax cut would benefit only the rich, when the fact is that the major component of our tax package, as I mentioned, is a $500 per child tax credit for families. Of the $189 billion in tax cuts we proposed over 5 years, $94 billion, or fully half, goes directly to families in the form of the $500 per child tax credit.

Families receive other tax benefits, including expanded IRA's, repeal of the marriage penalty, and incentives for long-term care insurance. All told, families would receive $114 billion worth of tax relief under our plan.

Democrats have argued and tried to argue that because of the $500 per child tax credit, it applies to families earning up to $200,000. It looks like the President here has $100,000. They go on to say this is somehow a tax cut for the rich, as though the children of high-income Americans are less deserving of tax relief than others. But even this argument is false, since according to the Joint Economic Committee, fully three-fourths of the $500 per child tax credit would go to families earning less than $75,000.

For low-income Americans, the tax credit is even a better deal. Nearly 5 million Americans at the lowest income levels would no longer pay any taxes at all. So I am tired, and I think the American people should be tired, of the same old class warfare rhetoric that the Democrats continue to haul out every time we talk about tax cuts.

The Democrats seem to believe the rich are the only people who have children, who got married, and that earning $75,000 makes you rich. The truth is the Republican tax package benefits all Americans. It is particularly beneficial to all families, but it also benefits groups, such as seniors.

For starters, our package calls for the repeal of the 35-percent Social Security tax hike President Clinton rammed through in 1993. The Republican plan brings the rates on singles earning more than $34,000 and couples earning more than $44,000 back to 50 percent. We would also raise the earning limit on Social Security benefits. Instead of $11,280, seniors can earn up to $30,000 before Social Security taxes kick in. The total savings for our American seniors is $30 billion. That is important to make that point.

Furthermore, the Republican tax package gives all Americans a 50-percent capital gains tax. According to a study released by the Joint Economic Committee, nearly 70 percent of those Americans who claim capital gains have incomes of less than $50,000.

Republicans will ease the burden on overtaxed businesses, too. Our plan would save American businesses $21 billion over the next 5 years, money that will be reinvested and returned again and again to the consumer in lower prices and in higher working wages. Mr. Speaker, the Republican package will save Americans $189 billion over the next 5 years. That is $189 billion that all Americans would be able to share and spend and reinvest in America. The best thing about it is it is all paid for in the budget. We put a down payment on the savings when we passed the rescission bill. It is unfortunate the President vetoed it. We paid for the rest last week when we approved the Republican budget with the spending reductions.

Of course, the Democrats will argue these spending reductions will affect only low-income Americans. Again, they are wrong. Our budget represents across the board spending reductions, reductions that would affect all Americans. It is just that those with their hands out, those who receive most for doing the least, will be affected more. This, Mr. Speaker, is simply a fact of life.

It should be pointed out, though, that most of our savings were achieved through flexible freezes and not the elimination or reduction of very many programs. However, it is amazing. The Democrats portray the flexible freeze as a cut, despite the fact that spending actually continues to increase. It simply does not increase at the same budget-busting rates as have been proposed here for 40 years.

The best example of this paradox is the Medicare debate. Clearly and emphatically, the Republican tax cuts have nothing to do with slowing Medicare spending increase. Medicare is funded by a payroll tax that goes into a separate trust fund. That trust fund will go bankrupt in the year 2002. That is what the trustees of the Medicare trust fund who have told us. The fact of the matter is, the Democrats know this, but insist on misrepresenting the tax cuts to hide the fact that they do not have a balanced budget here in the House. Now the President of the United States has come out with a balanced budget.

I see in several of the papers today that some of the Democrat leaders in the House here are upset that the President put forth a balanced budget program, even though it is over 10 years.

Frankly, Mr. Speaker, what the Republicans have done is then infused the economy with $189 million, cut needless and duplicative programs, eliminated wasteful spending, and salvaged America's future.

Now the only strategy left for the Democrats is to misrepresent what we have done. However, Mr. Speaker, for 40 years they have had the opportunity to run this country, so I ask everybody to ask this question: Are we better off now, or are we better off when they took power?

Forty years ago there was no national debt to speak of, and Americans paid only 3 percent of their income to the Federal Government. Today we have a $5 trillion national debt and the average American family pays a full 25 percent of its income to the Federal Government. Taxes at all levels of Government now consume 40 percent of the average family's income, more than they spend on food, clothing, and shelter combined.

Mr. Speaker, we have suffered through 40 years of tax increases and 40 years of big government. Finally, Republicans have reversed a trend and set our country back on track. We have found a way to ensure a future for our children, we have found a way to let American taxpayers keep more of their own money, and we have found a way to remove the burden of bureaucratic spending from our government.

Mr. Speaker, it is time for the loyal opposition to face the facts. They have left it up to the Republicans to balance the budget, to tackle the impending

Medicare insolvency, which is fine, because that is precisely what we intend to do for the sake of our children, our seniors, and the future of this great Nation.

□ 1815

TRIBUTE TO THE CHAMPION HOUSTON ROCKETS

The SPEAKER pro tempore (Mr. HAYWORTH). Under the Speaker's announced policy of May 12, 1995, the gentleman from Texas [Mr. DELAY] is recognized for 10 minutes as the designee of the majority leader.

Mr. DELAY. Mr. Speaker, the Houston Rockets have done it again. How fitting that on Flag Day, the Rockets captured their second championship banner. Who would have thought just 7 short weeks ago that the Rockets would be the World Champions? Who could have thought that a team ranked No. 6 going into the Western Conference playoffs, could win it all? Who dared to dream that the combination of Hakeem ''The Dream'' Olajuwon and Clyde ''the Glide'' Drexler would accomplish something that eluded them in their years together at my alma-mater, the University of Houston? Well, the answer to these questions should be obvious—nobody. Nobody believed the Houston Rockets could win a second world championship; nobody but the Houston Rockets. And in the end, that's all that really mattered. Last night the Rockets used their magic brooms to sweep the Orlando Magic back to the land of Disney.

When Rudy Tomjonavich took the helm of this Houston ballclub 2 years ago, he inherited a team that many thought talented, but few thought capable of winning a championship. However, through their hard work and dedication, the Rockets proved their critics wrong.

This season, the Rockets had a subpar regular season. They struggled at times and the trade for Clyde Drexler was viewed by many as being a mistake. Nonetheless, the Phi Slamma Jamma duo proved to be an unstoppable winning combination.

The Houston Rockets are a positive role model for our county. They are the underdogs who have overcome great odds to achieve a goal. And doesn't this country just love an underdog. The Rockets have taught us all a valuable lesson about believing in yourself and performing to the best of your abilities. With the heartbeat of a champion, they have captured their second crown with an unprecedented combination of humility and hunger. Sure, the Rockets have the greatest player on the planet in Hakeem Olajuwon. But this victory was not an individual one by any stretch. It was a team victory. That is the beauty of the Houston Rockets.

Last night, Hakeem was awarded the Most Valuable Player in the finals. As reporters bombarded him with questions about what winning the award meant, it seemed that all Hakeem could do was unselfishly pay tribute to his teammates. ''We played team basketball,'' he said. ''I'm just so happy for Clyde.''

Last year, when the Rockets won, they were all seen as a mediocre team who happened to win it all during a year when no great team emerged. This year, having won it again, the Rockets have finally proven to the world what they and ''Clutch City'' have known all along. This team is a legitimate champion. They are the first NBA team to ever repeat with a sweep. And now, having won another world championship, the Rockets have shown themselves to be the greatest basketball team in the world.

I send out a heartfelt congratulations to owner Les Alexander, Coach Rudy Tomjonavich and the Houston Rockets basketball team. On behalf of a grateful city I thank them for giving us yet another ring to be proud of. So before I leave today, let me leave you with a poem, chronicling the play-off drive of the world champion Houston Rockets.

The play-offs started against the Utah Jazz;
The Rockets beat 'em, but nobody spazzed;
Next came the Suns and Charles Barkley;
Their talent, I'm afraid, proved a bunch of malarkey;
The Spurs were on fire, the highly praised number one seed;
But the Rockets cut 'em down to size, like an overgrown garden weed;
Finally at last, the Magic fell to defeat;
The Rockets left standing, shouting ''Repeat!''
Yes, Shaq be nimble
Yeah, Shaq be quick
But Shaq came to Houston
And got his tail kicked.
How sweet it is!!!

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. KLECZKA (at the request of Mr. GEPHARDT), for the week of June 13, on account of medical reasons.

Mr. DICKEY (at the request of Mr. ARMEY), for today, on account of official business.

Mr. MCNULTY (at the request of Mr. GEPHARDT), for today after 2 p.m., on account of personal reasons.

Mr. YATES (at the request of Mr. GEPHARDT), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. POSHARD) to revise and extend their remarks and include extraneous material:)

Mr. LIPINSKI, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. OWENS, for 5 minutes, today.

Mr. FALEOMAVAEGA, for 5 minutes, today.

Mr. MONTGOMERY, for 5 minutes, today.

Mr. POSHARD, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

(The following Members (at the request of Mrs. KELLY) to revise and extend their remarks and include extraneous material:)

Mr. SMITH of Michigan, for 5 minutes, today and on June 21.

Mr. DELAY, for 5 minutes, today.

Mr. EHLERS, for 5 minutes, today and on June 16.

Mr. FOX of Pennsylvania, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. GONZALEZ, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. STEARNS, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. POSHARD) and to include extraneous matter:)

Mr. HASTINGS of Florida.

Mr. LANTOS.

Mr. MONTGOMERY.

Mr. SKELTON.

Mr. MFUME.

Mr. MENENDEZ in two instances.

(The following Members (at the request of Mrs. KELLY) and to include extraneous matter:)

Mr. KING in two instances.

Mr. SPENCE.

Mr. GILCHREST.

Mrs. KELLY.

Mr. WALSH.

Mr. FRANKS of New Jersey.

Mr. WOLF.

Mr. SOLOMON.

Mr. DAVIS.

ADJOURNMENT

Mr. DELAY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 20 minutes p.m.), the House adjourned until tomorrow, Friday, June 16, 1995, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1037. A letter from the Under Secretary of Defense, transmitting a report of a violation of the Anti-Deficiency Act which occurred at the Maryland Army National Guard, pursuant to 31 U.S.C. 1517(b); to the Committee on Appropriations.

1038. A letter from the Assistant Secretary (Special Operations/Low-Intensity Conflict),

Department of Defense, transmitting DOD's humanitarian assistance activities report, pursuant to 10 U.S.C. 401 note; to the Committee on National Security.

1039. A letter from the Director, Administration & Management, Department of Defense, transmitting notification that the Office of the Secretary of Defense, Washington Headquarters Services, Real Estate and Facilities Directorate [RE&F], is initiating a study, to include a cost comparison that will encompass cleaning services performed at the Pentagon by Government employees, pursuant to 10 U.S.C. 2304 note; to the Committee on National Security.

1040. A letter from the Assistant Secretary (Force Management Policy), Department of Defense, transmitting the Department's report on the Civilian Separation Pay Program, pursuant to 5 U.S.C. 5597 note; to the Committee on National Security.

1041. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend section 404 of title 37, United States Code, to eliminate the requirement that travel mileage tables be prepared under the direction of the Secretary of Defense; to the Committee on National Security.

1042. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend chapter 38 of title 10, United States Code, as added by the Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99–433; 100 Stat. 992), with respect to joint officer management policies for the Army, Navy, Air Force, and Marine Corps; to the Committee on National Security.

1043. A letter from the Office of Civilian Radioactive Waste Management, transmitting the 11th annual report on the activities and expenditures of the Office of Civilian Radioactive Waste Management, pursuant to 42 U.S.C. 10224(c); to the Committee on Commerce.

1044. A letter from the Chairman, Nuclear Regulatory Commission, transmitting the report of the nondisclosure of safeguards information for the quarter ending March 31, 1995, pursuant to 42 U.S.C. 2167(d); to the Committee on Commerce.

1045. A letter from the U.S. Court of Appeals, District of Columbia Circuit, transmitting an opinion of the U.S. Court of Appeals (93–1652—American Scholastic TV Programming Foundation versus FCC); to the Committee on Commerce.

1046. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed license for the export of major defense equipment and services sold commercially to the United Kingdom (Transmittal No. DTC–35–95), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

1047. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed license for the export of major defense equipment and services sold commercially to the United Kingdom (Transmittal No. DTC–37–95), pursuant to 22 U.S.C. 2779(c); to the Committee on International Relations.

1048. A letter from the Secretary of Labor, transmitting a report of activities under the Freedom of Information Act for calendar year 1994, pursuant to 5 U.S.C. 552(e); to the Committee on Government Reform and Oversight.

1049. A letter from the Secretary, Smithsonian Institution, transmitting the semiannual report on activities of the inspector general for the period October 1, 1994, through March 31, 1995, and the management report for the same period, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

1050. A letter from the Chairman, U.S. Equal Employment Opportunity Commission, transmitting the semiannual report on activities of the inspector general for the period October 1, 1994, through March 31, 1995, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

1051. A letter from the Clerk, U.S. House of Representatives, transmitting the quarterly report of receipts and expenditures of appropriations and other funds for the period January 1, 1995, through March 31, 1995, pursuant to 2 U.S.C. 104a (H. Doc. No. 104–85); to the Committee on House Oversight and ordered to be printed.

1052. A letter from the U.S. Court of Appeals, District of Columbia Circuit, transmitting an opinion of the U.S. Court of Appeals (90–3041—United States versus Anderson); to the Committee on the Judiciary.

1053. A letter from the U.S. Court of Appeals, District of Columbia Circuit, transmitting an opinion of the U.S. Court of Appeals (93–1621—Cheney Railroad Co. versus Railroad Retirement Board); to the Committee on Transportation and Infrastructure.

1054. A letter from the Chief Judge, U.S. Court of Veterans Appeals, transmitting the annual estimate of the expenditures and appropriations necessary for the maintenance and operation of the Court of Veterans Appeals Retirement Fund, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Veterans' Affairs.

1055. A letter from the Secretary of Defense, transmitting the second fiscal year 1995 DOD report on proposed obligations for facilitating weapons destruction and nonproliferation in the former Soviet Union, pursuant to 22 U.S.C. 5955; jointly, to the Committee on National Security and International Relations.

1056. A letter from the Secretary of Defense, transmitting the Department's report entitled, ''National Space Transportation Policy: Coordinated Technology Plan,'' pursuant to Public Law 103–337, section 211(f) (108 Stat. 2691); jointly, to the Committee on National Security and Science.

1057. A letter from the U.S. Court of Appeals, District of Columbia Circuit, transmitting an opinion of the U.S. Court of Appeals (93–1488—AFGE Local 3295 versus FLRA); jointly, to the Committees on Banking and Financial Services and Economic and Educational Opportunities.

1058. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification that the President has made a certification pursuant to section 577 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act of 1994, pursuant to Public Law 103–87, section 577(b) (107 Stat. 973); jointly, to the Committees on International Relations and Appropriations.

1059. A letter from the General Counsel of the Navy, transmitting a draft of proposed legislation entitled, the ''Uniform National Discharge Standards for Armed Forces Vessels Act of 1995''; jointly, to the Committees on Transportation and Infrastructure and National Security.

1060. A letter from the Secretary of Transportation, transmitting a report on alternative transportation modes for use in the National Park System, pursuant to Public Law 102–240, section 1050(a) (105 Stat. 2000); jointly, to the Committees on Transportation and Infrastructure and Resources.

1061. A letter from the U.S. Court of Appeals, District of Columbia Circuit, transmitting an opinion of the U.S. Court of Appeals (94–3105—United States versus Durenberger); jointly, to the Committees on Rules and the Judiciary.

1062. A letter from the Fiscal Assistant Secretary, Department of the Treasury, transmitting the Department's March 1995 ''Treasury Bulletin''; jointly, to the Committees on Ways and Means, Resources, Economic and Educational Opportunities, Commerce, Transportation and Infrastructure, and Agriculture.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calender, as follows:

Mr. YOUNG of Alaska: Committee on Resources. H.R. 70. A bill to permit exports of certain domestically produced crude oil, and for other purposes; with an amendment (Rept. 104–139, Pt. 1). Referred to the Committee of the Whole House on the State of the Union.

Mr. QUILLEN: Committee on Rules. House Resolution 167. Resolution Providing for consideration of the bill (H.R. 1817) making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1996, and for other purposes (Rept. 104–140). Referred to the House Calendar.

Mr. PACKARD: Committee on Appropriations. H.R. 1854. A bill making appropriations for the legislative branch for the fiscal year ending September 30, 1996, and for other purposes (Rept. 104–141). Referred to the Committee of the Whole House on the State of the Union.

Mr. LIVINGSTON: Committee on Appropriations. Report on the subdivision of budget totals for fiscal year 1996 (Rept. 104–142). Referred to the Committee of the Whole House on the State of the Union.

Mr. CALLAHAN: Committee on Appropriations. H.R. 1868. A bill making appropriations for the foreign operations, export financing, and related programs for the fiscal year ending September 30, 1996, and for other purposes (Rept. 104–143). Referred to the Committee of the Whole House on the State of the Union.

DISCHARGE OF COMMITTEE

Under clause 5 of rule X, the following action was taken by the Speaker:

H.R. 70. The Committee on International Relations discharged. Referred to the Committee of the Whole House on the State of the Union.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X the following action was taken by the Speaker:

H.R. 70. Referral to the Committee on International Relations extended for a period ending not later than June 15, 1995.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SCHIFF (for himself, Mr. PETE GEREN of Texas, and Mr. BOEHLERT):

H.R. 1851. A bill to authorize appropriations for carrying out the Federal Fire Prevention and Control Act of 1974 for fiscal years 1996 and 1997; to the Committee on Science.

By Mr. SCHIFF (for himself and Mr. PETE GEREN of Texas):

H.R. 1852. A bill to authorize appropriations for the National Science Foundations, and for other purposes; to the Committee on Science.

By Mr. MEEHAN (for himself and Mr. HANSEN):

H.R. 1853. A bill to amend the Federal Food, Drug, and Cosmetic Act to require the reduction and eventual elimination of nicotine in tobacco products; to the Committee on Science.

By Mr. PACKARD:

H.R. 1854. A bill making appropriations for the legislative branch for the fiscal year ending September 30, 1996, and for other purposes; committed to the Committee of the Whole House on the State of the Union.

By Mr. DAVIS (for himself, Mrs. MORELLA, and Mr. WOLF):

H.R. 1855. A bill to amend title 11, District of Columbia Code, to restrict the authority of the Superior Court of the District of Columbia over certain pending cases involving child custody and visitation rights; to the Committee on Government Reform and Oversight.

By Mr. EMERSON (for himself, Mr. MINETA, Mr. EWING, Mr. BOEHLERT, Mr. ABERCROMBIE, Mr. ACKERMAN, Mr. ANDREWS, Mr. BAESLER, Mr. BLILEY, Mr. BORSKI, Mr. BROWN of Ohio, Mr. BURTON of Indiana, Mr. CALVERT, Mr. CANADY, Mr. CLYBURN, Mr. COLLINS of Georgia, Miss COLLINS of Michigan, Mr. CONDIT, Mr. COSTELLO, Mr. CRAMER, Mr. CRANE, Ms. DANNER, Mr. DEFAZIO, Mr. DEUTSCH, Mr. DIAZ-BALART, Mr. DICKS, Mr. DICKEY, Mr. DINGELL, Mr. DIXON, Mr. DOOLITTLE, Mr. DORNAN, Mr. DREIER, Mr. DURBIN, Ms. ESHOO, Mr. FALEOMAVAEGA, Mr. FARR, Mr. FAZIO of California, Mr. FIELDS of Texas, Mr. FILNER, Mr. FORD, Mrs. FOWLER, Ms. FURSE, Mr. GALLEGLY, Mr. GILLMOR, Mr. GORDON, Mr. GENE GREEN of Texas, Mr. HALL of Texas, Mr. HASTERT, Mr. HAYES, Mr. HERGER, Mr. HOBSON, Mr. HORN, Mr. HUTCHINSON, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. JOHNSTON of Florida, Mr. KIM, Mr. KNOLLENBERG, Mr. LAHOOD, Mrs. LINCOLN, Mr. LATOURETTE, Mr. LAUGHLIN, Mr. LEWIS of California, Mr. LIPINSKI, Mr. LIVINGSTON, Mr. MATSUI, Mr. MANZULLO, Mr. MCCOLLUM, Mr. MCDERMOTT, Mr. MCKEON, Mrs. MEEK of Florida, Mr. MINGE, Mr. MOORHEAD, Mr. MYERS of Indiana, Mr. NEAL of Massachusetts, Mr. NEY, Mr. NUSSLE, Mr. OBERSTAR, Mr. PALLONE, Mr. PASTOR, Mr. PAXON, Mr. PETERSON of Florida, Mr. POMEROY, Mr. PORTER, Mr. POSHARD, Mr. QUILLEN, Mr. QUINN, Mr. RAHALL, Mr. RIGGS, Mr. ROMERO-BARCELO, Mr. SCHIFF, Mr. SHAW, Mr. SKELTON, Mr. SOLOMON, Mr. SPENCE, Mr. STEARNS, Mr. TALENT, Mr. THORNTON, Mr. TORRICELLI, Mr. TOWNS, Mr. TRAFICANT, Mr. TUCKER, Mr. UNDERWOOD, Mr. VOLKMER, Mr. WELDON of Pennsylvania, Mr. WHITFIELD, and Mr. WISE):

H.R. 1856. A bill to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to provide for an expanded Federal program of hazard mitigation, relief, and insurance against the risk of catastrophic natural disasters, such as hurricanes, earthquakes, and volcanic eruptions, and for other purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committees on Commerce, Banking and Financial Services, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. FRANKS of New Jersey:

H.R. 1857. A bill to amend the Internal Revenue Code of 1986 to allow an individual who has attained age 55 a deduction for amounts paid for insurance to be used to pay real property taxes on the principal residence of the individual after the individual has attained age 65; to the Committee on Ways and Means.

By Mr. LEACH:

H.R. 1858. A bill to reduce paperwork and additional regulatory burdens for depository institutions; to the Committee on Banking and Financial Services.

By Mr. MILLER of California:

H.R. 1859. A bill to require employers to post, and to provide to employees individually, information relating to sexual harassment that violates title VII of the Civil Rights Act of 1964; and for other purposes; to the Committee on Economic and Educational Opportunities.

H.R. 1860. A bill to authorize the Secretary of Transportation to convey the vessel S.S. *Red Oak Victory* to Richmond Museum Association, Inc., located in Richmond, CA, for use as a monument to the wartime accomplishments of the city of Richmond; to the Committee on National Security.

By Mr. MOORHEAD:

H.R. 1861. A bill to make technical corrections in the Satellite Home Viewer Act of 1994 and other provisions of title 17, United States Code; to the Committee on the Judiciary.

By Ms. NORTON (for herself (by request) and Mr. DAVIS):

H.R. 1862. A bill to permit certain revenues of the District of Columbia to be expended for activities relating to the operation of the Washington Convention Center and the construction of a new convention center in the District of Columbia; to the Committee on Government Reform and Oversight.

By Mr. STUDDS (for himself, Mr. FRANK of Massachusetts, Mrs. MORELLA, Mr. TORKILDSEN, Mr. ABERCROMBIE, Mr. ACKERMAN, Mr. BOEHLERT, Mr. FLANAGAN, Mr. BALDACCI, Mr. BARRETT of Wisconsin, Mr. GILMAN, Mr. GUNDERSON, Mr. BECERRA, Mr. BEILENSON, Mr. HORN, Mrs. JOHNSON of Connecticut, Mr. BERMAN, Mr. BONIER, Mrs. KELLY, Mr. SHAYS, Mr. BROWN of California, Mr. CARDIN, Mr. CLAY, Mrs. CLAYTON, Mr. CLYBURN, Mr. COLEMAN, Miss COLLINS of Michigan, Mr. CONYERS, Mr. COYNE, Mr. DEFAZIO, Ms. DELAURO, Mr. DELLUMS, Mr. DEUTSCH, Mr. DICKS, Mr. DIXON, Mr. DURBIN, Mr. ENGEL, Ms. ESHOO, Mr. EVANS, Mr. FALEOMAVAEGA, Mr. FARR, Mr. FAZIO of California, Mr. FILNER, Mr. FLAKE, Mr. FOGLIETTA, Ms. FURSE, Mr. GEJDENSON, Mr. GONZALEZ, Mr. GUTIERREZ, Ms. HARMAN, Mr. HASTINGS of Florida, Mr. HINCHEY, Mr. HOYER, Ms. JACKSON-LEE, Mr. JEFFERSON, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. JOHNSTON of Florida, Mr. KENNEDY of Massachusetts, Mr. KENNEDY of Rhode Island, Mrs. KENNELLY, Mr. KILDEE, Mr. LANTOS, Mr. LEVIN, Mr. LEWIS of Georgia, Ms. LOFGREN, Ms. LOWEY, Mrs. MALONEY, Mr. MARKEY, Mr. MARTINEZ, Mr. MATSUI, Ms. MCCARTHY, Mr. MCDERMOTT, Ms. MCKINNEY, Mr. MEEHAN, Mrs. MEEK of Florida, Mr. MENENDEZ, Mr. MFUME, Mr. MILLER of California, Mr. MINETA, Mrs. MINK of Hawaii, Mr. MORAN, Mr. MOAKLEY, Mr. NADLER, Mr. NEAL of Massachusetts, Ms. NORTON, Mr. OLVER, Mr. OWENS, Mr. PALLONE, Mr. PASTOR, Mr. PAYNE of New Jersey, Ms. PELOSI, Mr. RANGEL, Mr. REED, Mr. REYNOLDS, Mr. RICHARDSON, Ms. RIVERS, Ms. ROYBAL-ALLARD, Mr. RUSH, Mr. SABO, Mr. SANDERS, Mr. SAWYER, Mrs. SCHROEDER, Mr. SCHUMER, Mr. SERRANO, Ms. SLAUGHTER, Mr. STARK, Mr. THOMPSON, Mr. TORRES, Mr. TORRICELLI, Mr. TOWNS, Mr. TRAFICANT, Mr. UNDERWOOD, Ms. VELÁZQUEZ, Ms. WATERS, Mr. WATT of North Carolina, Mr. WAXMAN, Ms. WOOLSEY, Mr. WYDEN, Mr. WYNN, and Mr. YATES):

H.R. 1863. A bill to prohibit employment discrimination on the basis of sexual orientation; to the Committee on Economic and Educational Opportunities, and in addition to the Committees on House Oversight, Government Reform and Oversight, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ROYCE (for himself and Mr. NEUMANN):

H.R. 1864. A bill making emergency supplemental appropriations for additional disaster assistance and making rescissions for the fiscal year ending September 30, 1995, and for other purposes; to the Committee on Appropriations, and in addition to the Committee on the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. WHITFIELD:

H.R. 1865. A bill to amend the Federal Election Campaign Act of 1971 to provide that the same limitation on contributions to candidates shall apply to multicandidate political committees and other persons; to the Committee on House Oversight.

By Mr. WOLF (for himself, Mr. BAKER of Louisiana, Mr. BLUTE, Mr. DAVIS, Mr. FROST, Mr. HANSEN, Mr. MCDERMOTT, Mrs. MORELLA, and Mr. REYNOLDS):

H.R. 1866. A bill to promote the implementation of programs to improve the traffic safety performance of high risk drivers; to the Committee on Transportation and Infrastructure.

By Mr. CALLAHAN:

H.R. 1868. A bill making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1996, and for other purposes.

By Mr. LIPINSKI:

H. Con. Res. 77. Concurrent resolution concerning the Fourth World Conference on Women in Beijing; to the Committee on International Relations.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

112. By the SPEAKER: Memorial of the House of Representatives of the State of Colorado, relative to the reauthorization of the Conservation Program Improvements Act; to the Committee on Agriculture.

113. Also, memorial of the House of Representatives of the Commonwealth of Pennsylvania, relative to maintaining the status quo at Tobyhanna Army Depot, PA; to the Committee on National Security.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. DUNCAN introduced a bill (H.R. 1867) for the relief of Gregory E. Walters; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 46: Mr. SENSENBRENNER, Mr. SCHIFF, Mr. CONDIT, Mr. COBLE, and Mr. HAYES.
H.R. 94: Mr. SHAW and Mr. PICKETT.
H.R. 426: Mr. EHLERS.
H.R. 427: Mr. SALMON, Mr. COBLE, Mr. LUCAS, Mr. COX, and Mr. POMEROY.
H.R. 580: Mr. LAHOOD, Mr. BEREUTER, Mrs. SMITH of Washington, Mr. SKELTON, and Mrs. SCHROEDER.
H.R. 783: Mr. FOLEY and Mr. REYNOLDS.
H.R. 803: Mr. OLVER.
H.R. 911: Mr. BLUTE, Mr. PETE GEREN of Texas, Mr. GILCHREST, Mr. HERGER, and Mr. HUNTER.
H.R. 922: Mr. ENGLISH of Pennsylvania, Mrs. JOHNSON of Connecticut, and Mr. GORDON.
H.R. 927: Mrs. THURMAN and Mr. FRELINGHUYSEN.
H.R. 957: Ms. MCCARTHY, Mr. GOSS, and Mr. MILLER of Florida.
H.R. 1003: Mr. FRANK of Massachusetts, Mr. PAYNE of Virginia, Mr. LEWIS of Georgia, and Mrs. LINCOLN.
H.R. 1010: Mr. DEFAZIO, Mr. JOHNSON of South Dakota, and Ms. FURSE.
H.R. 1020: Mr. MFUME, Mr. BONIOR, Mr. KILDEE, Mr. LOBIONDO, Mr. MICA, and Mr. FATTAH.
H.R. 1046: Mr. GENE GREEN of Texas, Mrs. JOHNSON of Connecticut, Mr. FROST, Mr. FALEOMAVAEGA, Mr. SCOTT, and Mr. GEJDENSON.
H.R. 1047: Mr. HASTERT, Mr. GALLEGLY, and Mr. SMITH of Texas.
H.R. 1061: Mr. HEFLEY, Mr. BENTSEN, and Mr. SAM JOHNSON.
H.R. 1073: Miss COLLINS of Michigan, Mr. BONIOR, Mr. HINCHEY, Mr. FOX, and Mr. PASTOR.
H.R. 1074: Miss COLLINS of Michigan, Mr. BONIOR, Mr. HINCHEY, and Mr. PASTOR.
H.R. 1078: Mr. SMITH of New Jersey, Mr. FROST, Mr. WILLIAMS, and Mrs. JOHNSON of Connecticut.
H.R. 1100: Mr. FRANKS of New Jersey.
H.R. 1118: Mr. GUTKNECHT.
H.R. 1119: Mr. ACKERMAN.
H.R. 1138: Mr. REYNOLDS.
H.R. 1147: Mr. NADLER and Ms. ROYBAL-ALLARD.
H.R. 1176: Mr. RIGGS, Mr. DOOLITTLE, Mr. HEFLEY, Mr. BARTLETT of Maryland, Mr. GILCHREST, Mr. COBLE, Mr. BARTON of Texas, Mr. MILLER of Florida, Mr. MCCOLLUM, Mrs. VUCANOVICH, Mr. BAKER of Louisiana, Mr. BURTON of Indiana, and Mr. BONILLA.
H.R. 1242: Mr. LUCAS.
H.R. 1317: Ms. LOFGREN.
H.R. 1381: Mr. SERRANO, Ms. JACKSON-LEE, Mr. FROST, and Mr. JACOBS.
H.R. 1384: Mr. STUMP, Mr. SMITH of New Jersey, Mr. BILIRAKIS, Mr. STEARNS, Mr. BARR, Mr. COOLEY, Mr. EVANS, Mr. FILNER, Ms. BROWN of Florida, Mr. DOYLE, and Mr. MASCARA.
H.R. 1397: Mr. HOKE.
H.R. 1442: Ms. FURSE and Mr. ENGLISH of Pennsylvania.
H.R. 1523: Mr. FALEOMAVAEGA.
H.R. 1536: Mr. STUMP, Mr. SMITH of New Jersey, Mr. BILIRAKIS, Mr. STEARNS, Mr. BARR, Mr. COOLEY, Mr. EVANS, Mr. FILNER, Ms. BROWN of Florida, Mr. DOYLE, and Mr. MASCARA.
H.R. 1547: Mr. MINETA and Mr. REYNOLDS.
H.R. 1565: Mr. SMITH of New Jersey, Mr. BILIRAKIS, Mr. STEARNS, Mr. BARR, Mr. COOLEY, Mr. EVANS, Mr. FILNER, Ms. BROWN of Florida, Mr. DOYLE, Mr. MASCARA, and Mr. NEY.
H.R. 1588: Mr. LAUGHLIN.
H.R. 1604: Mr. ENGLISH of Pennsylvania.
H.R. 1610: Mr. PORTMAN.
H.R. 1617: Mr. HANCOCK.
H.R. 1650: Mr. DIAZ-BALART.
H.R. 1765: Mr. ROHRABACHER, Mr. HANCOCK, and Mr. DOOLITTLE.
H.R. 1776: Mr. SMITH of Texas.
H.R. 1781: Mr. FAZIO of California.
H.R. 1810: Mr. ENGLISH of Pennsylvania, Mr. SMITH of Texas, Mr. ROYCE, and Mr. PORTMAN.
H.R. 1818: Mr. SENSENBRENNER, Mr. CUNNINGHAM, Mr. DEUTSCH, Mr. HASTERT, Mr. GREENWOOD, Mr. STOCKMAN, Mr. LINDER, Mrs. CHENOWETH, Mr. FIELDS of Texas, Mr. BARTON of Texas, Mr. LAUGHLIN, and Mr. FOX.
H.R. 1821: Mr. DELLUMS and Mr. BATEMAN.
H.J. Res. 79: Mr. MILLER of Florida.
H.J. Res 91: Mr. PAXON.
H. Con. Res. 70: Mr. RIGGS.
H. Res. 30: Mr. ENSIGN.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 774: Mr. CALVERT.
H.R. 1289: Mr. FATTAH.

PETITIONS, ETC.

Under clause 1 of rule XXII,

24. The SPEAKER presented a petition of Board of Commissioners of Wayne County, NC, relative to opposing further regulations of tobacco by the Food and Drug Administration; which was referred to the Committee on Commerce.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1817

OFFERED BY: MR. FRANK OF MASSACHUSETTS

AMENDMENT NO. 2: Page 19, after line 12, insert the following new section:

SEC. 126. The amounts otherwise provided in this Act for the following accounts are hereby reduced by 5 percent:

(1) ''Military Construction, Army''.
(2) ''Military Construction, Navy''.
(3) ''Military Construction, Air Force''.
(4) ''Military Construction, Defense-wide''.
(5) ''Military Construction, Army National Guard''.
(6) ''Military Construction, Air National Guard''.
(7) ''Military Construction, Army Reserve''.
(8) ''Military Construction, Naval Reserve''.
(9) ''Military Construction, Air Force Reserve''.
(10) ''North Atlantic Treaty Organization—Security Investment Program''.

H.R. 1817

OFFERED BY: MR. HERGER

AMENDMENT NO. 3: Page 2, line 12, strike ''$625,608,000'' and insert ''$611,608,000''.

H.R. 1817

OFFERED BY: MR. MINGE

AMENDMENT NO. 4: Page 3, line 3, strike ''$588,243,000'' and insert ''$571,843,000''.

H.R. 1817

OFFERED BY: MR. NEUMANN

AMENDMENT NO. 5: On page 8, line 2, strike $1,157,716,000 and insert $1,150,730,000.

H.R. 1817

OFFERED BY: MR. OBEY

AMENDMENT NO. 6: On page 2, line 12, delete ''$625,608,000'', and insert ''$611,108,000''.

On page 3, line 3, delete ''588,243,000'' and insert ''$578,743,000''.

On page 5, line 4, delete ''$72,537,000'' and insert ''$59,337,000''.

On page 5, line 12, delete ''$118,267,000'' and insert ''$107,267,000''.

On page 6, line 9, delete ''31,502,000'' and insert ''$29,702,000''.

H.R. 1817

OFFERED BY: MR. OBEY

AMENDMENT NO. 7: Page 19, after line 12, insert the following new section:

SEC. 126. The amounts otherwise provided in this Act for the following accounts are hereby reduced by the following amounts:

(1) ''Military Construction, Army'', aggregate amount, $14,500,000.
(2) ''Military Construction, Navy'', aggregate amount, $9,500,000.
(3) ''Military Construction, Army National Guard'', $13,200,000.
(4) ''Military Construction, Air National Guard'', $11,000,000.
(5) ''Military Construction, Air Force Reserve'', $1,800,000.

H.R. 1817

OFFERED BY: MR. ROYCE

AMENDMENT NO. 8: Page 3, line 3, strike ''$588,243,000'' and insert ''$571,843,000''.

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PROCEEDINGS AND DEBATES OF THE *104th* CONGRESS, FIRST SESSION

Vol. 141 WASHINGTON, THURSDAY, JUNE 15, 1995 *No. 98*

Senate

(Legislative day of Monday, June 5, 1995)

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

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious God, we often come to You listing out our urgent petitions. With loving kindness and faithfulness, You guide and provide. You bless us beyond our expectations and give us what we need on time and in time. Today, Lord, our prayer is for a much better memory of how You have heard and answered our petitions in the past. Now we really need the gift of a grateful heart.

We commit this day to count our blessings. We thank You for the gift of life, our relationship with You, for Your grace and forgiveness, for our family and friends, for the privilege of work, for the problems and perplexities that force us to trust You more, and for the assurance that You can use even the dark threads of difficulties in weaving the tapestry of our lives. Knowing how You delight to bless a thankful person, we thank You in advance for Your strength and care today. Lord, thank You not just for what You do but for who You are, blessed God and loving Father. In that confidence, we ask for Your providential care for Cardinal Joseph Bernardin in his time of physical need and suffering. Now guide us in the work of this Senate throughout this day. In Your holy name. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

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

SCHEDULE

Mr. PRESSLER. This morning, the leader time has been reserved, and the Senate will immediately resume consideration of S. 652, the telecommunications bill. Under the consent agreement from last night, there are approximately nine amendments that are still pending to the telecommunications bill. Members should be on notice that at 12:15 the Senate will begin a series of rollcall votes on or in relation to those pending amendments with the last vote in the order being on final passage.

The Senate is open for business. We welcome Senators to come to the floor to make their speeches and deal with their amendments.

LEAVE OF ABSENCE

Mr. DOLE. Mr. President, I announce that the Senator from Utah [Mr. HATCH] is necessarily absent from the Senate. He is attending the meeting of the International Olympic Committee in Budapest, Hungary, along with the delegation of officials from Utah and the United States Olympic Committee.

Salt Lake City was earlier selected as America's choice to host the 2002 Winter Olympic Games, and a final vote on site selection will be taken by the IOC at their meeting in Budapest. Senator HATCH is in attendance at these important meetings in support of Salt Lake City to be the host city and of the United States to be the host country for this premier international event.

TELECOMMUNICATIONS COMPETITION AND DEREGULATION ACT

The PRESIDENT pro tempore. The clerk will report the pending business.

The assistant legislative clerk read as follows:

A bill (S. 652) to provide for a procompetitive, deregulatory national policy framework designed to accelerate rapidly private sector deployment of advanced telecommunications and information technologies and services to all Americans by opening all telecommunications markets to competition, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Hollings (for Breaux) amendment No. 1299, to require that at least 80 percent of vessels required to implement the Global Maritime Distress and Safety System have the equipment installed and operating in good working condition.

Pressler (for McCain) amendment No. 1285, to means test the eligibility of the community users.

Simon modified amendment No. 1283, to revise the authority relating to Federal Communications Commission rules on radio ownership.

Heflin amendment No. 1367, to provide for a local exchange carrier to acquire cable systems.

Pressler (for Dole) amendment No. 1341, to strike the volume discounts provisions.

Warner modified amendment No. 1325, to require additional rules as a precondition to the authority for the Bell operating companies to engage in research and design activities relating to manufacturing.

Lieberman amendment No. 1298, to establish a determination of reasonableness of cable rates.

Rockefeller amendment No. 1292, to eliminate any possible jurisdictional question arising from universal service references in the health care providers for rural areas provision.

Stevens-Inouye amendment No. 1303, to ensure that resale of local services and functions is offered at an appropriate price for providing such services.

AMENDMENT NO. 1285

The PRESIDING OFFICER (Mr. GREGG). The Senator from Arizona.

Mr. MCCAIN. Mr. President, I wish to take a few minutes to discuss the amendment No. 1285 that I have offered on behalf of Senators SNOWE, ROCKEFELLER, EXON, KERREY, CRAIG, and myself.

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

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Mr. President, it is my understanding that one-half hour has been reserved for debate on this amendment. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. MCCAIN. Mr. President, I intend to just use a few minutes and then reserve the remainder of that time for any of the Senators who wish to speak on the amendment any time between now and 12:15, if that is agreeable to the manager.

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

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. MCCAIN. I thank the Chair.

Mr. President, the amendment would effectively means test the community users provision in this bill. The amendment states that no for-profit business, school with an endowment of $50 million or more, or library that is not eligible for participation in the State-based plan qualifying for library services and Construction Act title III funds will receive preferential rates of treatment.

Mr. President, as the part of the bill that came to the floor which was added as an amendment in committee, as it states now, any school, library, or hospital would be eligible for preferential rates or treatment.

I understand the intent of that amendment. It has been made very clear and was again made clear when I proposed an amendment to remove that provision of the bill entirely.

However, I am very pleased that Senators SNOWE, ROCKEFELLER, EXON, KERREY, and others are in support of this amendment especially since Senators SNOWE and ROCKEFELLER are the prime sponsors of that amendment that was put into the bill in committee.

This amendment would ensure that those who most need it, a rural health clinic or small school in any part of America including West Virginia, receive the most help. If this amendment is adopted, every public and nonprofit grade and secondary school in this country will receive preferential rates, every public library will receive preferential rates, and every nonprofit community health clinic will receive preferential rates. But this amendment will prevent some of the wealthiest in this country from unduly benefiting at the same time.

As I mentioned earlier, I offered an amendment that would have eliminated the Snowe-Rockefeller provisions. I believe it is unnecessary for us to federalize this role of the States. I am disappointed that the Senate disagrees. I pointed out that in nearly all of the 50 States in America, the States have acted to provide some kind of help for schools, libraries, and health care providers in various ways, each of these States tailoring specific programs to specific needs in those States. And again I question seriously that we in the Senate can tailor programs that fit as diverse a nation as we have today.

I listened to my colleagues from West Virginia, Nebraska, and Maine very closely. While they commented extensively on the need to ensure that we do not have technology haves and have-nots, surely they would agree we should not subsidize those who can well afford telecommunications services. My friend from Nebraska, Senator KERREY, specifically expressed his cogent argument on the need to help the poorest and most in need in our country. I believe this amendment addresses the issues raised by my friend, and I am pleased to offer this amendment with the support of the Senator from Nebraska.

Mr. President, I agree we must do what we can to prevent that from occurring. I believe that the free market will accomplish that goal. I also believe that vouchers will end up someday being the method by which we best address these problems of people who cannot afford basic telecommunications services. But at this time it is clear that neither the Senate nor the country is prepared for that.

I was interested in the opposition to the vouchers amendment that I put forward. If there was ever ample testimony to the clout of the special interests that are involved in this issue, it was the size of the defeat of that amendment—not because I believe it was a perfect amendment but there is no doubt in my mind that every player in this very complex issue, whether it be AT&T, the Bell telephone companies, the manufacturers, every other entity involved was opposed to this voucher idea, which has been supported by the Heritage Foundation, the Cato Institute, every objective observer of this situation that does not have any monetary involvement.

However, we received 18 votes, and if there was ever any testimony needed to the influence of the special interests in shaping this legislation, I believe when historians look at 18 votes, which was the purest and simplest way to provide the poor and the needy in this country with the ability to acquire telephone and telecommunications services, that was ample and compelling evidence and why I believe, Mr. President, that this bill, despite the great efforts of our distinguished chairman, who has done a magnificent job in shepherding this legislation this last nearly 2 weeks through the Senate, still has a lot of hurdles to overcome because of the inordinate influence of the special interests on this bill as opposed, very frankly, to the interests of the American public, which is not represented very well in this debate nor in the issues before the Senate.

Back to the amendment, Mr. President, the provisions in this bill would enable some of the wealthiest in our country to benefit. Rural hospitals will receive benefits. Certainly some rural hospitals need help. But there are rural hospitals operated by large parent companies that make hundreds of millions of dollars. There is no reason to subsidize these corporations.

Although the managers' amendment adopted allows the FCC to evaluate the subsidy scheme according to means, there is still a necessity to means test the provision. First, the FCC is going to pass regulations that treat all fairly and do not discriminate or which have a disparate impact. Such regulations benefit rich and poor equally. The amendment solves that problem.

Harvard University operates a library. The university also currently has a $6 billion endowment. Should the American people, many who do not have the resources of Harvard University, be forced to subsidize the school library's telecommunications services? I do not think so.

Do we want the well-to-do Humana Hospital Corp. which operates some rural hospitals to have a Government-sanctioned telephone discount? No, but we do want the small rural clinic to receive help. This amendment accomplishes that goal.

If the Congress is going to endorse a Federal role in ensuring technology to be available to all, then let us tailor it so we are helping those who need our help. It is a balanced, fair amendment. I have confidence in its adoption. I am greatly appreciative that Senators SNOWE, ROCKEFELLER, and KERREY in particular are in support of this amendment.

Mr. President, I reserve the remainder of my time. I believe that Senators SNOWE, ROCKEFELLER, and KERREY have expressed interest in speaking on this amendment. I ask the manager if he will allow them my time to do so when they come to the floor to speak.

Mr. President, I yield the floor.

Ms. SNOWE. Mr. President, I rise in support as a cosponsor of Senator MCCAIN'S amendment to clarify how universal service discounts to schools, libraries, and rural hospitals under section 310 of the telecommunications bill should be targeted.

As I noted last week in my remarks, I support targeting of discounts. For example, elementary and secondary schools with large endowments simply do not have the same need as public schools for discounts in order to assure affordable access to telecommunications services. In my view, the language in the bill gave the FCC, the States, and the Joint Board some flexibility to target discounts. Specifically, the language guaranteed schools and libraries an affordable rate, which implicitly takes into account both the price of the service and the ability of an entity to pay.

I appreciate the time and effort Senator MCCAIN has invested in working with the sponsors of section 310 to build upon the affordability concept, to develop a solid, responsible test of when schools, libraries, and rural hospitals should receive discounts in order

to promote the goal of affordable access to telecommunications services.

Under the McCain amendment, public elementary and secondary schools would be eligible for discounts, as would private, nonprofit schools without large endowments. Libraries would be eligible for discounts if they participated in State-based plans under title III of the Library Services and Construction Act, which coordinate library development within the State. Nonprofit rural health care providers would also be eligible for discounts.

This amendment meets the twin goals which I am sure are supported by most Members of this Senate. First, it guarantees affordable access to telemedicine and educational telecommunications services for those key institutions in our society which need assistance in order to take full advantage of the information age. Second, by targeting the discounts, this amendment ensures that the universal service fund is used wisely and efficiently.

Mr. President, the provision of the bill sponsored by myself, Senators ROCKEFELLER, EXON, AND KERREY, is in my view one of the most important provisions of the bill. We know that competition will bring an array of improved services and exciting new services at a lower cost. Technology allows the transmission of information across traditional boundaries of time and space, dramatically changing the way that American school children learn, and the way that health care is provided. The Snowe-Rockefeller-Exon-Kerrey provision in the bill ensures that competition ultimately achieves this goal for all Americans, regardless of where they live. I realize that the distinguished Senator from Arizona believes that a deregulated market will take care of everyone, but I simply do not share that belief. Furthermore, the stakes are too great to leave affordable access to the marketplace. Again, I appreciate Senator MCCAIN'S willingness to work with myself and Senators ROCKEFELLER, EXON, and KERREY to clarify how discounts should be targeted, and I urge my colleagues to support the McCain amendment.

Mr. PRESSLER. Mr. President, I note that we have limited time. I urge Senators to come early to make their statements, as we are on a time agreement at this point. Any Senator wishing to speak should come forth.

Mr. INHOFE addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. Mr. President, I ask unanimous consent to be recognized as in morning business.

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

CARRYING OUT THE MANDATE

Mr. INHOFE. Mr. President, I just want to make a few comments while we are waiting for those referred to by the Senator from South Dakota to come and be heard.

Those of us who are in the freshman class have recently had a number of town hall meetings back in our respective States. As a matter of fact, I think I lead the group. I have had 77 since January.

Last week, I had some, and I want to just reaffirm that, in spite of the fact there are many people who are here in the U.S. Senate who do not spend as much time back in the districts, back talking to real people, that the revolution that was voted on back on November 8, 1994, is very real and it is alive at home. Some people are skeptical and do not think things are going on the way they should be going on here.

So I just share with you that I sometimes have a difficult time in conveying to people that the Senate is actually doing some things here. They hear about the House, they hear about the Contract With America, and some of the personalities over there that have dominated the national media. I have to remind people that in the first 3 months of this year in the U.S. Senate, we passed a number of reforms: One being the unfunded mandates reform; one being congressional accountability, forcing us to live under the same laws that we pass for other people; we also did a line-item veto; a type of moratorium on endangered species; we are getting ready to do regulation reform, to get the Government off the backs of the people who are paying for all the fun we are having up here.

The Senate may be slower and more deliberate, but we are performing, and a revolution is going on here.

But I say, Mr. President, that the people at home are just as adamant today as they were on November 8, 1994. The people at home are demanding that we do something about and carry out the mandate to eliminate the deficit. I think that they are a little impatient with the fact that we passed a resolution that would do this in 7 years, by the year 2002. I find it rather interesting the response that we are having right now as to the President coming out with his revised budget a couple of days ago.

We have talked to people and told them the President had his budget before this body some 3 weeks ago, and it was the typical large tax-and-spend, high-deficit budget that was rejected by this body, the U.S. Senate, by a vote of 99–0, and then Republicans passed our budget resolution which would eliminate the deficit by the year 2002.

I think we were all taken aback and a little surprised when the President came out with his announcement a couple days ago. In essence, what he said was, Well, we tried my budget, and that did not work. I'll just join the Republicans. Some people thought maybe the train went by, but I do not think so. I think there is room on the caboose for the President, and he came out and said, ''Instead of that, let's not be quite as severe, let's do it over 10 years, not 7 years.''

I cannot speak for the people of America, but I can speak for the people of Oklahoma. I am talking about Democrats and Republicans alike. People in Oklahoma think that even 7 years is too long. When you stop and realize what goes with high deficits, that means more Government involvement in our lives.

Today, I will be going over and testifying in the other body on a Superfund bill. That is just one area of overregulation in our lives, of abuse, of bureaucracy on the businesses and the industries that are paying taxes to support this monster in Washington, and it is going to change.

So I would like to give the assurance that there has been a change in the majority party that is controlling both the Senate and the House, and the Republicans are now in charge.

As we talk to our fellow Republicans and remind them that the mandate that gave the Republicans a majority in the House and a majority in the Senate cannot be ignored, because if we ignore it we cannot fulfill the provisions of that mandate—that is, less Government in our lives, a balanced budget we can see in the near future, and the Government more in concert with what was foreseen by our Forefathers many years ago—if we do not carry out that mandate, the Republicans will not be in power.

Right now, I honestly believe we are on schedule to carry out the mandates. I think the whole United States, and I know my State of Oklahoma, is rejoicing in this.

It is not that the people who want more Government involved in our lives are bad people—they are not bad people; they are well-meaning people—but they have just forgotten what this country is all about.

So we have a new era, and we are providing the leadership in that era. I was very pleased to see the President of the United States joining us 2 days ago when he came with his revised budget.

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

The PRESIDING OFFICER (Mr. COATS). THE CLERK WILL CALL THE ROLL.

The assistant legislative clerk proceeded to call the roll.

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

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

TELECOMMUNICATIONS COMPETITION AND DEREGULATION ACT

The Senate continued with the consideration of the bill.

Mr. PRESSLER. Mr. President, I urge Senators to come to the floor to use the time. Mr. President, is time running on amendments if Senators are not present?

The PRESIDING OFFICER. Time is not running.

Mr. PRESSLER. Time only runs when they actually speak?

The PRESIDING OFFICER. The 30 minutes allocated to Senators for discussion of amendments is running only when those Senators are on the floor speaking as to that amendment.

Mr. PRESSLER. In view of the fact that the majority leader has stated a desire to vote by about noon, I hope that Senators will come to the floor.

Mr. President, I ask unanimous consent to speak as in morning business for 5 minutes on a separate subject.

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

Mr. PRESSLER. Let me emphasize, that upon the arrival of any Senator with business on the telecommunications bill, I will immediately yield the floor.

UNITED STATES-JAPAN AVIATION DISPUTE

Mr. PRESSLER. Mr. President, I rise today to discuss a matter of great importance to the Group of Seven summit meeting to be held this week in Canada. I refer to the current aviation dispute between the United States and Japan. The United States must stand firm in this dispute. It is vital to our long-term U.S. international aviation policy. It is critical to the future of our passenger and cargo carriers. The millions of consumers who use air passenger and cargo services in the Pacific rim deserve the best possible service at competitive prices set by the market.

In recent months, many Senators have expressed views on the bilateral aviation negotiations between the United States and the United Kingdom. That interest was well-placed. In 1994, revenue for United States carriers between the United States and the United Kingdom was approximately $2.5 billion. To put the significance of the United States-Japan aviation dispute in perspective, in 1994 the total revenue value of passenger and freight traffic for United States carriers between the United States and Japan was approximately $6 billion.

First, let me put to rest a misconception. The United States-Japan aviation dispute is a bona fide, stand alone trade issue. It unquestionably is a separate trade issue. Commentators who suggest our current aviation disagreement is inextricably linked to our automobile dispute with Japan are wrong. Others who cynically suggest it is more than coincidence that the aviation dispute has come to a head at the same time as the automobile dispute obviously do not know the recent history of the United States-Japan aviation relations.

Plain and simple, this dispute arose as a result of actions by the Government of Japan to protect its less efficient air carriers from competing against more cost-efficient United States carriers for service beyond Japan to points throughout Asia. The issue is straightforward: Should the United States allow the Government of Japan to unilaterally deny United States carriers rights that are guaranteed to our carriers by the United States-Japan bilateral aviation agreement? As chairman of the Commerce, Science, and Transportation Committee, I believe the clear and unequivocal answer is ''no.''

The dispute relates to our bilateral aviation agreement which has been in effect for more than 40 years. Over the years, that agreement has been modified and otherwise amended to reflect changes in the aviation relationship between our two countries. Pursuant to the United States-Japan bilateral agreement, three carriers have the right to fly to Japan, take on additional passengers and cargo in Japan, and then fly from Japan to cities throughout Asia. the U.S. carriers who are guaranteed fifth freedom rights, or so-called beyond rights, are United Airlines, Federal Express, and Northwest Airlines.

Recently, Federal Express and United Airlines tried to exercise their beyond rights and notified the Government of Japan that they would start new service from Japan to numerous Asian cities. The Government of Japan refused to authorize these new routes. The bilateral agreement requires that such requests be expeditiously approved. In violation of the bilateral agreement, the Government of Japan has said it will not consider these route requests until the United States holds talks aimed at renegotiating the bilateral agreement.

Mr. President, the consequences of the Government of Japan's unilateral denial of beyond rights have been significant. For example, Federal Express, relying on its rights under the bilateral agreement, invested millions of dollars in a new, Pacific rim cargo hub at Subic Bay in the Philippines. The Subic Bay hub is scheduled to be fully operational in several weeks. The Government of Japan's refusal to respect the terms of the bilateral agreement threatens Federal Express' multi-million-dollar investment. Similarly, United Airlines has already essentially lost the chance to provide service between Osaka and Seoul during the busy summer season.

There is no doubt that the economic impact of Japan's refusal to recognize Federal Express and United Airlines' beyond rights has already been great for each of these carriers. The burden has also been shouldered by consumers who have been denied the benefits of a more competitive marketplace. As each day passes, the costs become more significant. Yesterday, Federal Express was forced to postpone for 30 days its proposed July 3, 1995, opening of its Subic Bay cargo hubs.

I point out to the Senate, that is a great loss not only for Federal Express but to the United States. It is our rights of moving our airplanes around the world, as we allow other countries to move them into our country.

How did the United States and Japan get to the brink of an aviation trade war? Let me first dispel three myths.

First, the aviation dispute has nothing to do with a bilateral aviation agreement that is fundamentally unfair to Japan. Nor does it really have anything to do with so-called imbalances in treaty rights that must be remedied. Yet, United States carriers do have an approximately 65 percent share of the transpacific between the United States and Japan. However, this is due to market forces. It has nothing to do with fundamental imbalances in the bilateral agreement.

Since this goes to the heart of the issue, let me reiterate this point. The reason United States carriers have a larger share of the transpacific market than Japan carriers is due to market forces. Just 10 years ago, under the very same bilateral agreement that the Government of Japan now criticizes, Japanese carriers had a larger market share on transpacific routes than United States competitors.

Japanese carriers lost transpacific market share and they lost it fast. The reason why is simple economics. The root of this dispute also is simple economics. Japanese carriers have operating costs nearly double United States air carriers and they cannot compete with our carriers. For example, a passenger flying from New York to Tokyo on a Japanese carrier pays approximately 23 to 33 percent more for that service. Japanese carriers have priced themselves out of market share. Passengers have, so to speak, voted with their feet and selected U.S. carriers that have significantly lower air fares.

Second, the aviation dispute has nothing to do with unequal beyond rights for Japanese carriers to serve beyond markets from the United States. Yes, Japan only has the right to serve on destination beyond the United States while United States carriers currently have the right to serve 10 points beyond Japan. This, however, is a statistic without any real significance. Higher operating costs would prevent Japanese carriers from competing for traffic beyond the United States even if Japanese carriers had a greater right to do so.

The beyond markets the Government of Japan truly wants are the Asian markets. These markets, particularly service from Japan to China, are cash cows for Japanese carriers. There is nothing the Japanese want less on these routes than a good dose of American competition.

U.S. air carriers are not the only victim of this protectionist effort to restrict competition in the Asian beyond markets. Consumers, including Japanese citizens, are big losers. For example, service on Japanese carriers between Hong Kong and Tokyo, a beyond route, is approximately 24 percent higher than on a United States carrier. Air fares on a Japanese carrier between Tokyo and Seoul are approximately 20 percent higher.

Third, the United States has not caused this dispute by refusing to renegotiate the bilateral agreement. Let me refute this myth loud and clear: Foreign nations who enter into agreements with the United States must abide by the terms of those agreements. There are no two ways about that.

The Government of Japan is trying to force us to the negotiating table by unilaterally denying clear rights provided to United States carriers by the bilateral agreement. Let me add, the Japanese want these negotiations to increase restrictions on United States carriers to further protect Japanese carriers. This would be detrimental to United States carriers and consumers.

That is the wrong direction negotiations should go. Aviation talks with the Government of Japan should focus on opening the Japanese market, not further restricting it.

Also, it is the wrong way to get to the table for meaningful negotiations. The best way for the Government of Japan to open the door for negotiations of the United States-Japan bilateral agreement is to immediately honor and abide by the terms of the existing agreement. The approach the Government of Japan has taken by unilaterally denying rights guaranteed by the agreement is misguided, it violates international law, and it must not be tolerated.

Mr. President, we are at the brink of an aviation trade war with Japan for one reason. Operating costs of Japanese carriers are nearly double those of United States carriers. Japanese carriers cannot compete against our more cost efficient carriers. In a June 1994 report, Japan's Council for Civil Aviation, an advisory body to Japan's Transport Minister, warned that Japanese carriers need to become more competitive or they may not survive in international markets.

Japan's Council for Civil Aviation is absolutely correct. The solution is for Japanese carriers to become more competitive. Instead, as reflected by this dispute, the Government of Japan has chosen to prescribe yet another dose of protectionism.

Mr. President, on May 17, 1995, I urged President Clinton to take whatever steps deemed necessary and reasonable to assure that the Government of Japan abides by the terms of the United States-Japan bilateral aviation agreement. I ask that a copy of that letter be printed at the end of my statement in the RECORD.

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

(See exhibit 1.)

Mr. PRESSLER. Today, I again urged the administration to stand firm in our aviation dispute with Japan and to take whatever steps it deems necessary and reasonable to protect rights given to our carriers by the United States-Japan bilateral agreement.

Mr. President, at the beginning of these remarks, I mentioned the importance of the aviation rights issue to the Group of Seven Summit meeting to take place this week. I believe the Group of Seven leaders are in a position to promote a new system for aviation rights to replace the confusing web of bilateral agreements we now have.

That is something we have to do, and in the Commerce Committee one of my goals is to find a way that we can replace this bilateral aviation system with a new system for aviation rights.

We have a confusing web of bilateral agreements. I hope up there in Halifax, the Group of 7, especially I hope President Clinton talks to the Japanese about this situation.

Top-level leadership can bring about such a reform. I recommend to my colleagues an article I wrote for the June 7 edition of the Seattle Post-Intelligencer, ''Rules for World Air Transport Need Overhaul.''

Mr. President, I ask unanimous consent the article be printed in the RECORD.

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

(See exhibit 2).

EXHIBIT 1

U.S. SENATE, COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION,

Washington, DC, May 17, 1995.

Hon. WILLIAM J. CLINTON,

The President, The White House, Washington, DC.

DEAR MR. PRESIDENT: As Chairman of the Senate Committee on Commerce, Science, and Transportation, I am writing to urge you to take whatever steps you deem necessary and reasonable to assure the Government of Japan abides by the terms of the United States/Japan bilateral aviation agreement.

Since the early 1990s, the Government of Japan has routinely ignored the clear language of the U.S./Japan bilateral aviation agreement and in doing so has denied several U.S. air carriers permission to serve points in Asia from Japan. Recently, the Government of Japan failed to approve Federal Express' request for a route between Osaka and Subic Bay, the location of Federal Express' new cargo hub in the Philippines. Similarly, the Government of Japan rejected United Airlines' request to commence service between Osaka and Seoul. These carriers are guaranteed ''beyond rights'' by the bilateral agreement, each made economic decisions based on these rights, and the Government of Japan should honor its agreement.

Mr. President, the United States must require foreign nations to abide by the terms of international aviation agreements with our country. International aviation opportunities are critical to U.S. passenger and cargo carriers, as well as the thousands of individuals they employ, their customers and the communities they serve.

Sincerely,

LARRY PRESSLER,
Chairman.

EXHIBIT 2

[From the Seattle Post-Intelligencer, June 7, 1995]

RULES FOR WORLD AIR TRANSPORT NEED OVERHAUL

(By Larry Pressler)

Since the early 1990s, the Japanese government routinely has violated its bilateral aviation agreement with the United States. Japan currently is holding up approval of new routes involving ''beyond rights'' for Federal Express and United Airlines, even though those carriers explicitly enjoy such rights in the U.S.-Japanese agreement.

''Beyond rights'' means that the Japanese government allows a U.S. carrier to arrive in Japan from the United States, unload and take on cargo or passengers and then fly to a third country. Japan's denial of routes is an explicit violation of the U.S.-Japan bilateral air agreement. Meanwhile, a more fundamental inequity is that only three U.S. carriers enjoy ''beyond rights'' with Japan, while Japan has denied five other American carriers such transit rights.

Japan apparently believes that by violating its air agreement with the United States, it can induce the United States to renegotiate the agreement on terms more favorable to Japan. That is unacceptable. I have urged President Clinton to take whatever measures he deems necessary and reasonable to get Japan back into compliance with the agreement.

Meanwhile, I urge the U.S. and Japanese governments to use their economic leverage and political skills to advance the longer-range project of global reform of international air-transport agreements.

The existing system of bilateral agreements is a bad arrangement. An outmoded patchwork of rules has international air transport stalled in a holding pattern. Instead of a uniform global agreement such as the General Agreement on Tariffs and Trade, there are about 3,500 different nation-to-nation air-transport agreements. That makes for babel of confusion and inefficiency.

Many countries have insisted upon agreements heavily protectionist in favor of their own national airlines. Others sharply limit the number of U.S. carriers allowed into their markets, fomenting rivalries between carriers having access vs. those that do not. Still other nations impose discriminatory cargo processing and freight-fowarding delays on the ground. All such arrangements put a drag on economic growth in America and around the world.

In Asia, the need for reform is especially important. The world has high hopes for continuation of the ''Asian miracle'' in economic growth. This phenomenon could be badly dimmed, however, without aviation reform. American air carriers' restricted access in Asia impairs our ability to enhance and share in Pacific Rim growth.

At Kimpo Airport in Seoul, for instance, U.S. and other non-Korean airlines are banned from operating domestic trucking companies. That increases costs and adds delay to freight delivery. At Tokyo's Narita Airport and Hong Kong's Kai Tak Airport, numerous other so-called ''doing business'' problems hamper foreign carriers.

Asia is not the only so-called source of friction for U.S. air carriers. The United Kingdom and France, for example, also have highly protectionist air access policies. Indeed, while world economic growth naturally depends on efficient transportation, transportation remains the most politically restrictive area of commerce.

The rules for world air-transport access need a complete overhaul. To accomplish that, we need a sense of mission, a model and top-level leadership.

The mission should transcend protecting the status quo. We need to keep our eyes on prizes for the next generation: commercial air routes and markets less developed now but clearly with great potential in years to come. China, India and Southeast Asia are examples; Russia and East Europe are others. Our policies need to keep opportunities open not just for existing companies, but also for the enterprises of tomorrow.

In form, a model for air-transport liberalization is the GATT: a multilateral, uniform, global agreement. In substance, the global air agreement should provide ''open skies.'' An example of this open arrangement is the U.S.-Netherlands agreement. It allows Dutch air service full access into any U.S. city, with reciprocal rights for U.S. carriers.

Transforming a complicated web in international protectionism can't be done without leadership at the highest level. While I will use the chairmanship of the Senate Commerce, Science and Transportation Committee as a ''bully pulpit'' for reform, it is imperative that the cause have leadership from world heads of state.

I urge President Clinton to put world aviation reform on the agenda for the next Group of Seven Summit of the major industrialized nations. With attention at this level, we can get done what needs to be done.

TELECOMMUNICATIONS COMPETITION AND DEREGULATION ACT

The Senate continued with the consideration of the bill.

Mr. PRESSLER. I hope Senators will come to the floor and use their time on the telecommunications bill.

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. 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.

AMENDMENT NO. 1298

Mr. LIEBERMAN. Mr. President, I thank the Chair.

Last night I called up amendment No. 1298. I would like to proceed for the half-hour allocated under the unanimous consent agreement.

The PRESIDING OFFICER. The Senator from Connecticut is recognized for up to 15 minutes, under the previous order.

Mr. LIEBERMAN. Mr. President, this amendment aims to maintain protection for the millions of cable consumers around America who, for the last 2 years, faced with cable systems that they enjoy, that they need, that they want to purchase, but faced with only one choice of a cable system in all but 50 of the more than 10,000 cable markets in America, are about to lose their consumer protection if the bill, as drafted and before the Senate, S. 652, passes.

I just think that would be a shame. In a way, an outrage, because of the way in which the cable consumer protections that were enacted in 1992, and were in effect for less than 2 years, have benefited consumers, and not hurt the cable industry.

Think about it, Mr. President. We are talking here about monopolies that exist in more than 10,000 markets in America. Only 50 have effective competition according to the FCC, and yet we will remove a consumer protection regulation that exists in the current system that has dropped rates cumulatively 11 percent, that has seen continued good health in the cable industry.

What is the rationale for this? The rationale seems to be in this overall reform of telecommunications, surprisingly, this termination of these consumer protection regulations that have just existed for a couple of years and worked so well.

Apparently, the argument by the cable industry has been they need to have rates deregulated. They need to take the cap off. They need to be free of any rule of reason, without competition, without regulation, because they need to go to the capital markets to raise capital so they can be ready to compete with the telephone companies direct broadcast satellites that are coming in.

Mr. President, the facts I showed last night show that not only have the cable companies continued to make money, with an operating margin industrywide of 20 percent—the highest of any element of the telecommunications industry—but their capital expenditures have continued to go up. In 1993, almost $3 billion; in 1994, $3.7 billion. Plenty of opportunity under regulation to raise money.

Perhaps as significant, take a look at what the market says. This is a bill that is procompetitive. It is market-oriented. Let me show the chart that talks about the cable index stocks.

We believe in markets. That is what this bill is all about. The blue line is an index of cable industry stocks. Look what happened in 1993 after regulation goes on: It shoots up, comes down, stays high, much higher than the S&P Standard 500 stock index. This is a measure of the market. Investors say the regulation that we put on was reasonable. It did not make them feel that these stocks were a bad investment. In fact, they continue to raise over the average stocks in the market.

I ask here, with this amendment, why are we doing this? On the face of it, respectfully, I would say it looks like the cable industry has used this overall reform of telecommunications to basically jump on or jump in to hide in a kind of Trojan horse of telecommunications reform, and put inside that horse an opportunity to raise rates.

I will say the system created in this bill is complicated. The bottom line is simple: Rates to most cable consumers in America are going to rise; by one estimate, $5 a month for a service that a lot of people consider to be a necessary, basic source of information, recreation, entertainment, even shopping, now, in their lives.

If the amendment I propose passes, I am convinced that rates will remain stable, the cable industry will continue to be competitive, and the rates will remain regulated only until there is competition. Part of what is happening here is the hope being raised of immediate competition in the cable business.

In 1984 when Congress last deregulated cable, and the consumers paid deeply out of their pockets for the ensuing years, until 1992 when we put regulation back on, the hope was raised that direct broadcast satellites were going to provide enormous competition for cable television.

Today, 11 years after 1984 when that argument was made, less than 1 percent of cable consumers, multichannel service consumers, get their television from direct broadcast satellites.

Telephone companies are authorized by the legislation before us to come into the cable business. I hope they do and I hope they do rapidly. When they are providing competition, the regulation will go off. But I am not so sure any of us can say that is going to happen next year or 3 years from now or 5 years from now or, in some cases, 10 years from now.

What this bill, without the amendment I am proposing, will do in that interim, it will simply take off the protection for consumers.

Incidentally, it substitutes, in place of that protection, a very ornate, complicated standard that there is no regulation unless the cable system charges substantially higher than the per channel average nationally on June 1, 1995. That is very complicated and actually shows you do not need regulation to have regulation. You can have all the problems of regulation through legislation.

My alternative here is simple and market oriented. It says a cable company will be subject to regulation if it charges substantially more than the national average in markets that are competitive. So my standard is not what the average is on June 1, 1995, or, as the bill suggests, what it will be 2 years from now after cable rates are raised. Then we are going to have substantially higher charges than the average 2 years later. My basis is what the market says where there is competition. As competition spreads throughout America, that standard will change and the consumers will benefit.

I want to respond to just a few comments that were made against the amendment last night as I wait for some of my colleagues who want to speak on this to come to the floor. There was some reference to the special status of smaller cable companies. I want to stress that no small cable company will be affected under my amendment. We are exempting any cable company that has less than 35,000 customers or any multiservice operator—that is, any company that owns more than one cable system—that has less than 400,000 customers. I am not interested in regulating these small, mom and pop cable operators. They are already economically responsible and I believe accountable to their communities, and therefore they are exempt from regulation.

Last night my friend and colleague from South Dakota suggested that cable revenues have remained flat for the first time in 1994. In fact, the cable

act resulted in over $800 million in decreases in equipment charges and over $400 million in decreases for consumers in service charges. The fact that revenues—even taking this view that they remained flat indicates that the cable industry is thriving and is a highly profitable industry, even under regulation. Again, there is a 20-percent operating margin, the highest in the telecommunications business in 1993, and the stock market indicates continued consumer confidence in the business. All of that under regulation.

The distinguished chairman of the committee mentioned that public debt offerings dropped under regulation. Respectfully, I claim the opposite. Debt financing for the cable industry climbed from $6.9 billion in 1993 to $10.8 billion in 1994, an almost $4 billion increase, continuing a pattern of steady growth in debt financing since 1991, uninterrupted by the very reasonable regulation that we put on in 1992 on a bipartisan basis.

As for investments and access to capital, the major cable companies are consolidating and buying up other monopolies right and left and they are spending a lot of money doing so. For example, in February 1995, Time Warner offered $2.7 billion for Cablevision Industries systems. In January 1995, Time Warner offered $2.24 billion for Houston Industries cable systems. In January 1995, Intermedia Partners, TCI, and others offered $2.3 billion for Viacom's cable system. And the list goes on.

I am not saying this is wrong. I am happy about it. What I am pointing out here is that the cable industry, under the very reasonable consumer protection regulations that we have had on for the last 2 years, has been a healthy industry with lots of capital to invest. There is no reason to believe that will not continue to be the case under the amendment that I put forth. Let us remember, the great fear here of the cable industry is competition from the telephone companies—and they are regulated.

Often cited are the companies that are selling out these systems, these cable systems. But I want to say those who are selling are doing so at a very healthy profit.

One other argument that arises again is that competition is just around the corner. As I have indicated, I hope so. I hope competition is around the corner. I hope we can get the regulation out of here. But right now, to receive a direct broadcast satellite system, a consumer has to invest about $700 to buy the equipment and then pay a monthly charge at least as large as the current cable bills. At the moment, again, less than 0.5 percent of subscribers are choosing this DBS satellite. As my friend and colleague from South Dakota points out, at the current rate of subscription, in 5 years there will be 5 million subscribers to DBS. Mr. President, 5 million subscribers is only 8 percent of the current subscribers to cable. And 8 percent, in my opinion, is not effective competition in any market, certainly not under the bill, not under the law as it stands now.

As for the telephone companies, they are only doing experiments in some markets. It will take time before they are active competitors. If any competitor surprises us and gets to the market more rapidly, hallelujah, that is great news. All the regulation I am advocating will go away once competition hits the market. That is what this amendment is about. Let us let competition work for the consumer and for the industry.

Mr. President, I understood Senator LEAHY was going to come to the floor to speak to the amendment. Not seeing him on the floor, I reserve whatever time I have remaining and yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. LIEBERMAN. Mr. President, seeing no one seeking recognition, 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. SIMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

AMENDMENT NO. 1283, AS MODIFIED

Mr. SIMON. Mr. President, I call up my amendment No. 1283.

The PRESIDING OFFICER. The amendment of the Senator from Illinois, No. 1283, has already been called up.

Mr. SIMON. Mr. President, I have not had a chance to talk to Senator PRESSLER or Senator HOLLINGS. But I would be willing to have a 20-minute time agreement, 10 minutes on my side and 10 minutes on the other side. I am not sure that anyone is going to speak in opposition. I would welcome no one speaking in opposition. But I do believe that at least one Member on the other side wants to vote against it.

The PRESIDING OFFICER. The Chair informs the Senator from Illinois that, under the previous order, time is limited to 30 minutes on first-degree amendments.

Mr. SIMON. I am willing to reduce that to 20 minutes.

Mr. PRESSLER. That is the best music I have heard this morning.

The PRESIDING OFFICER. The Senator is willing to either use or yield back whatever time he does not wish to use.

Mr. SIMON. Mr. President, let me outline what the situation is right now. We now have under the FCC rule a limit of 20 FM stations and 20 AM stations that may be owned by any one entity. The Dole amendment takes the cap off that completely. The most that is owned by any one entity right now is Infinity. They own 27 stations. CBS owns 26.

Under the bill as it is right now, anyone—the Dan Coats Co.—can theoretically own every radio station in the United States. Obviously, I do not think that would happen. But I think diversity in this field is extremely important.

My amendment raises that cap of 20 and 20 to 50 and 50 so that there could be 100 stations owned by any one entity. That is a 150-percent increase over where we are right now.

I think that is reasonable. I just think it is not in the public interest to have a concentration. Economic concentration generally is not good, but particularly in the media I think there are dangers to the future of our country.

Bill Ryan of the Washington Post and Newsweek wrote in Broadcast and Cable of May 27, and said,

> The whole world is trying to emulate the local system of broadcasting that we have in this country, and here we are creating a structure that will abolish it or put it in the hands of a very, very few. I think it is unsound.

Let me add that my friends in Infinity and CBS both have no objection to this amendment—the people who own the largest numbers right now. The National Association of Broadcasters do. Let me just say candidly that I worked with Senator STROM THURMOND and a few others here in trying to negotiate with them some kind of limitation or sensible packaging on liquor advertising on radio. They resisted any change. Here again, they want to have it all. I have been in this business of politics long enough so that when you have leadership at the National Association of Broadcasters that is so narrow minded that it wants to have it all, the pendulum is going to swing from one extreme to another. They are making a great mistake. I have yet to talk to a single radio station owner who does not think this is a sensible amendment.

I hope that my friends on the floor of the Senate and the House would vote for this amendment.

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

Mr. President, I question the presence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMON. 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. SIMON. Mr. President, I ask unanimous consent to speak as if morning business for 2 minutes.

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

THANKS TO THE PAGES, AND OTHERS

Mr. SIMON. Mr. President, I just learned talking to the pages they are going to be leaving tomorrow. One of the things that we do around here is we

do not thank people enough. And the pages have just been terrific.

We are very proud of you, and I am sure some of you are going to be Senators someday in the future.

But it is not only the pages. It is the people who take the RECORD; it is the people at the front desk who tolerate us when we come up and say, ''How did COATS vote on this? How did PRESSLER vote on this?'' It is the people who are waiters and waitresses downstairs—all of the people, the people who watch the doors. I am going to get back in good graces with someone here—it is the people who write out our amendments. It is the people who provide the thousand-and-one little services that we just neglect to thank people for.

So I just wanted to get up and say we thank everyone, and wish the pages the very best. They are a fine group of young people with a bright future. We wish them the very best.

Mr. President, I see the Senator from Montana on the floor. He may wish the floor at this point.

I yield the floor.

TELECOMMUNICATIONS COMPETITION AND DEREGULATION ACT

The Senate continued with the consideration of the bill.

Mr. BURNS addressed the Chair.

The PRESIDING OFFICER (Mr. SANTORUM). The Senator from Montana.

AMENDMENT NO. 1283, AS MODIFIED

Mr. BURNS. I rise in opposition to the Simon amendment.

The Senator is right; we do not thank people enough. I wish to thank the Senator from Illinois for bringing up this issue.

I think it important that the American people take a look and see exactly what is happening in the broadcast business. Radio ownership decisions should be made by owners and operators and investors and not by the Federal Government. That is why we need to eliminate all remaining caps on national and local radio ownership.

Let us take into consideration some things happening in the broadcast industry. Even if I own two radio stations in the same market, would I program them the same? Would I want the diversity to capitalize on an advertising market so that I can expand that advertising base? Because that is what pulls the wagon in the broadcast business—advertising dollars. Would I program it the same? I seriously doubt it. And there are some right now, even though they own an FM station and an AM station and operate it out of the same building, use the same engineer, sometimes the same on-the-air personalities, their programming is different. That is what is happening in the broadcast business today. Now, that is the real world.

Nationally, there are more than 11,000 radio stations providing service to every city, town, and rural community in the United States. Presently, no one can control more than 40 stations. That is 20 AM stations and 20 FM stations. Clearly, the radio market is so incredibly vast and diverse that there is no possibility that any one entity could gain control of enough stations to be able to exert any market power over either advertisers or programmers.

At the local level, while the FCC several years ago modified its duopoly rules to permit a limited combination of stations in the same service in the same market, there are still stringent limits on the ability of radio operators to grow in their markets. Further, the FCC rules permit only very restricted or no combinations in smaller markets. These restrictions handcuff broadcasters and prevent them from providing the best possible service to listeners in all of our States. And, unfortunately, the Simon amendment, whether intended or not, only addresses the national limitations and does nothing to alleviate excessive local market controls.

Increased multiple ownership opportunities will allow radio operators to obtain efficiencies from being able to purchase programming and equipment on a group basis and from combining operations such as sales and engineering which is going on today.

We do not hear any cry in just the local market of anything being really wrong in the broadcast business.

Radio stations have to face increasing competition from other radio stations and from other advertising and programming sources, such as cable television operators. Nowadays many cable operators have begun to provide music and related services that compete locally with radio stations, and soon satellite services will have the capabilities of providing 60 channels of digital audio service that will be available in communities across the Nation, of which there is no wall to receive their signal.

Also in the near future, radio stations will begin facing the need for new capital investment when the FCC authorizes terrestrial digital audio broadcasting. Without an opportunity to grow and to attract capital, our Nation's radio industry will face an increasingly difficult task in responding to these multiplying competitive pressures.

And they are competition. But we also wonder why should we in some way or other hamper a local broadcast station from supporting the local community. News, weather, sports, all the community services that we enjoy in our smaller communities, we have to be able to attract advertising dollars, yet we will be subject to the competition of direct broadcast and also the cable operators. But competition is what makes it good. I am not worried about that. We can compete. Just do not limit our ownership decisions to buy or sell based on a Government-imposed cap on what we can own.

I received a letter from Benny Bee, President of Bee Broadcasting up at Whitefish, MT. Benny writes, and I quote:

> I can't express how important it is that the markets be opened up and the ownership caps be taken off. Broadcasters like myself need to be able to compete. . . . I urge you to defeat the Simon amendment and help move broadcasters forward as we go into the Twenty First century.

Larry Roberts, who operates stations in my home State of Montana, has written me stating:

> [Radio deregulation] would provide us with the freedom to excel and succeed. It will not only allow us to compete more effectively, it will also increase the value of our radio stations.

And in the 1980's we had an explosion, Mr. President, of licenses granted to stations when really there was no market analysis done that the market could even handle another radio station.

There are many more examples that I could leave you with. One final one from Ray Lockhart of KOGA, an AM and FM station in Ogallala, NE, not my constituents but I know Ray very well. My wife comes from that part of the country. And he writes:

> Soon, one DBS operator will be able to deliver 50 to 60 radio channels into every market in the country with none of the rules that I labor under. The Baby Bells will be able to do the same thing at even less cost. Help broadcasters by not protecting us. Cut us loose from ownership . . . regulation so we can take advantage of our abilities to compete.

And I think that is the argument here, the ability to compete. Do not shut the doors of opportunity.

So we need to look at the true picture of the challenge that the industry faces. For the longest time we have viewed radio as competing only with itself, as if it exists in a vacuum. And basically I know something about that because my main competition basically in the advertising business was from the print media. You have to deal with that—and there is competition there—in order to stay economically viable.

Radio goes head-on with other forms of mass media for the audience and for those advertising dollars that fuel its well-being. We need to start acknowledging this important distinction and give radio the tools it needs to compete with all other information providers. That is why I urge you to vote against the Simon amendment.

Mr. President, I ask unanimous consent that the attached letters from the broadcasters that I mentioned be printed in the RECORD.

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

BEE BROADCASTING, INC.,
Whitefish, MT, June 14, 1995.

Senator CONRAD BURNS,
Washington, DC.

DEAR SENATOR BURNS: It was great visiting with you the other day when you were home in Montana and I hope the conference went well.

The reason I am writing is I know that you will be introducing legislation that is going

to have a tremendous impact on small market broadcasters like myself. I can't express how important it is that the markets be opened up and the ownership caps be taken off. Broadcasters like myself need to be able to compete with the large cable companies, which offer several channels as well as bulk discounts. Also, the ''Information Super Highway'' is just around the corner, which will allow large market radio stations to come in via satellites, competing with the smaller market operators for audience and advertising dollars. For us to compete at the local level, we need to be able to own and market several different formats. By owning four or five stations and formats, operating costs would drop dramatically, allowing us to pass tremendous savings on to the advertiser. Also, the audience benefits by having multiple choices of formats to listen to. And of course, we the broadcasters benefit by being able to compete with the ''big boys'' in our much smaller markets.

Senator, I urge you to defeat the Simon Amendment and help move broadcasters forward as we go into the Twenty First century. If I can be of ANY assistance on this matter, please don't hesitate to call.

Yours sincerely,

BENNY BEE, Sr.,
President.

SUNBROOK COMMUNICATIONS,
Spokane, WA, April 3, 1995.

DEAR FELLOW BROADCASTERS: We have very little time to act on a matter which will significantly impact our future. As you know, Congress is rewriting the Communications Act to reflect the new realities in which media operate. This bill is expected to be brought to the floor of the Senate so soon, that we have little time to make our feelings known to our Senators. However, it's imperative that we do so.

I urge you to support the Lott/Bryan Amendment on Radio Ownership. Here's why.

All of us are likely to soon be competing against an additional 30–60 new over-the-air radio stations in each of our markets. They will broadcast in digital stereo direct from a satellite, provided by 1 or 2 owners. If you add these stations to the recent addition of audio channels from your local cable company, plus still more channels from your telephone company which is likely to get into the cable biz, plus the additional channels offered by DirecTV satellite, it's obvious that local radio broadcasters are facing a serious threat.

If this weren't bad enough, the terrible news is that we local radio broadcasters . . . we who have worked so hard to provide service to our communities . . . are currently being left out of the deregulation of audio services. The rewrite of the telecommunications bill, as it stands today, would take the handcuffs off of the cable companies, the phone companies, and the national satellite broadcasters, giving each of them the ability to flood our markets with dozens of new channels. But as it stands, the bill leaves the handcuffs on local radio broadcasters!

Without the economies of scale provided by multiple-station ownership, we will be left unable to compete. To have just a single channel (or even 4 in the largest markets) would make our survival highly unlikely, in a world where other audio providers are operating without ownership restrictions, and without public service obligations.

Therefore, it's imperative that we support the Lott/Bryan Amendment. It would remove all radio ownership rules. It would put us on a level playing field with all of these new competitors. It would provide us with the freedom to excel and succeed. It will not only allow us to compete more effectively, it will also increase the value of our radio stations.

No matter how comfortable the past has been, with its artificial barriers to ownership, the times have changed. The issue before us is not whether radio's ownership environment will be changed from the past. It is being changed. The only question is whether it will be changed for the better, by the adoption of the Lott/Bryan Amendment, or whether it will be changed for the worse, by not allowing radio broadcasters the same freedoms of ownership that are being provided to non-traditional radio broadcasters.

Please call your Senators now and ask them to support the Lott/Bryan Amendment!

Sincerely,

LARRY ROBERTS,
President.

THE CROMWELL GROUP, INC.,
Nashville, TN, March 25, 1995.

Re lifting ownership restrictions—Locally, Nationally.

To: Small/Medium Market Licensees.

DEAR ASSOCIATES: As you know, the NAB Radio Board has supported the idea of eliminating restrictions on the number of radio station licenses that an individual operator/company can hold. If approved, the net effect will be to permit you or others to own/operate all the stations in your market area. Before you say ''no'', read on and consider what is happening:

(1) Cable systems operate 30, 40, 100 channels in your town under one owner locally . . . selling local advertising

(2) The telephone company may be offering 30, 40, 100 channels to your home as one owner . . . selling local advertising

(3) Direct TV (Satellite) now offers 30 channels plus to your home with two owners nationally . . . selling regional advertising.

(4) DARS Satellite Radio in a few years will offer 30 plus channels heard in your town with one/two owners nationally . . . selling regional advertising.

(5) Internet is fast growing and offers multiple information sources to the home in your community . . . selling who knows what with lots of options.

All of the above have/will have a subscription source of revenue plus compete with you and other broadcasters for local advertising.

As a small market broadcaster of the old school and with ''localism'' in my blood, I do not like the idea that my station could be owned by the newspaper, my competitor, a national company, Walmart, or others. It goes against my grain.

However, the Congress and the FCC are on track to permit telephone and cable companies, Satellite providers, and others to be single owners with multiple channels serving your and our communities. In the future the competition will be fierce. For a small market broadcaster with only one product (ie: one format) competing against other broadcasters AND the new technologies, survival will be a real difficult challenge.

Current rules hinder only the local broadcaster. All the others are free to operate. We may think we are protected by having ownership rules, but in the future we will be hamstrung. We won't be able to compete and we won't be able to sell because our value will have declined. Historically regulation has held broadcasters back in the face of new technology. Unless we act now, that could again be the case.

Eliminating ownership rules (as distasteful as it sounds to me today) makes it possible to have ''localism'' in the future. You or your buyer will be able to provide ''multiple'' signals in your community and be able to compete with the new technologies. As you think ''NO'' today, please consider that you might wish tomorrow you'd said ''YES'' and supported a chance to get in a position to compete. We can't use old regulation to protect against a horse that's already out of the barn.

Large and small market broadcasters (corporate vs small operators) do have different business objectives. But remember, one Baby Bell Operating Company is larger than the entire Radio/TV industry. There are seven Bell Operating Companies, plus all the cable, satellite, and others, so you can see that's coming and what we're up against.

I know it may go against your grain to support eliminating ownership limits today, but please do it to insure you have positive options in the future.

Sincerely,

BUD.

SORENSON BROADCASTING,
Sioux Falls, SD, March 27, 1995.

JOHN DAVID,
NAB Radio
Washington, DC.

DEAR FELLOW BROADCASTERS: Broadcast Ownership Rules, particularly Radio Ownership Rules are ''up for grabs'' in Washington, D.C. As a broadcaster who has built a career on Local-Service-Radio, I feel it's imperative you and I protect our Stations, Communities, and the concept of Local-Service-Radio. . . . Now.

What am I asking? (1) You and I must consider strong support of the position voted by our NAB (National Association of Broadcasters) Board of Directors, and (2) You and I need to contact our Congressmen . . . especially Senators on the Commerce Committee.

I grew up in a different world than we're now experiencing. It's excitingly scary what is being proposed for the future. However, I am certain. . . . I want to be able . . . as a local radio broadcaster to play in the new technologies . . . whatever they happen to end up being.

Experience shows it's hard to ''Out localize'' the local radio station. However, if the Ownership Rules are changed to give the ''trump card'' to other media in the changing and future world of technologies . . . we could find ourselves embarrassed into a ''position of weakness.'' This could also affect the present and future value of the radio stations you and I own and operate.

In the communities where we operate . . . Cable systems are now offering 45–75 channels, complete with 10 channels of music (radio)! Telephone companies are throwing serious money at new business opportunities, and if satellite radio comes to my town, as Direct TV already has. . . . I'm not certain yet what those changes mean. But . . . I do realize the importance of my company . . . as the local radio folks . . . being able to compete on a level field.

And if ownership of the local newspaper makes sense. . . . I would like not to be forbidden from the chance to own it.

I have talked personally with our friends who serve on the NAB's Radio Board of Directors. They have thoughtfully presented a position which deserves our support. I ask simply that you familiarize yourself with that position . . . then begin explaining your position to your Congressman.

Enthusiastically,

DEAN SORENSON,
President.

OGALLALA BROADCASTING CO., INC.,
Ogallala, NE.

DEAR FELLOW BROADCASTERS: I was stunned to hear that some Senators and the NAB were receiving calls from some broadcasters opposing the idea of deregulation for the radio industry. Are you kidding me? In my tiny market my local TCI cable system

with 3500 paid subscribers delivers 30 Music Express channels, sells local commercials for $1.25 per 30 second spot and they have plans to deliver more TV signals with more local access all over the country. No ownership limits, no FCC intervention in anything but technical standards. Why shouldn't I as a broadcaster be afforded the same?

Soon (by year 2000) one DBS operator will be able to deliver 50 to 60 radio channels into every market in the country with none of the rules I labor under (localism, main studio, public file, lowest unit rate, FCC rules, etc.). The Baby Bell's will be able to do the same thing at even less cost. Our Public Interest Standard is a one way street that keeps us 2nd class and Government controlled. (1st Amendment freedoms do not apply to us, right?) We do have a shot at these freedoms if we're not afraid to take it.

Some local operators say, the FCC must protect us from someone buying everything up. Why? They protected us in the 80's with 80/90. Wasn't that fun? If I can't compete with the big boys that can and will buy multiple markets (yes, maybe even WalMart) at least a market has been created for my stations that will bring a better price than if we don't have a level playing field with the new technologies and players.

I am fortunate enough to have been able to take advantage of the small market duopoly rule and buy the other station in this town of 5,000. It is a very worthwhile venture that everyone should be able to do if they so desire.

Tell your Senators to help broadcasters by not protecting us. Cut us loose from ownership and everything but technical regulation so we can take advantage of our abilities to compete. It is the future of our ''over the air'' broadcast industry we're dealing with. Get involved if you're not!

Remember, a Government that is big enough to give you the protections you want today is big enough to take them away tomorrow.

Mr. BURNS. Mr. President, I urge that this amendment be defeated. For the first time, only 40 percent of the radio stations operating in the United States today are really making a profit. So some kind of consolidation is needed to keep them viable. It is like I said. If I own two newspapers in the same market, would I format those newspapers just exactly alike? Even with first amendment rights, would I slant them the right way? Or whatever. I think what I would do is be diverse with them, to broaden the base of the advertising market in that particular locale. That is also true whenever you start trying to attract national dollars on national advertising campaigns. And it is how good your reps are when they start representing your station.

So I appreciate the amendment because I think the American people have a right to know just what is happening in the broadcast industry. I understand where the Senator is coming from, but he also has to look at what is happening in the real world as far as radio broadcasting is concerned.

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

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. I yield 5 minutes to the Senator from North Dakota [Mr. DORGAN].

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I stand in support of the amendment offered by the Senator from Illinois.

As I listen to some of the debate on this amendment, as well as the debate on the amendment I offered previously which tried to restore the restrictions on television station ownership, it occurred to me that we ought to really remove some desks in the Senate and provide a stretching area. When you go to a baseball game, you see these folks stretch out before the game, getting all limber. I do not know of anyone who can stretch quite so well as those who stand in this Chamber and preach the virtues of competition and then decide to advocate concentration of economic ownership by lifting the restrictions on ownership of television stations and radio stations.

That is some stretch. But it does not quite reach. It does not prevent people from trying, however. You cannot, in my judgment, preach the virtues of competition and take action that will eventually end up resulting in a half a dozen or a dozen companies owning most of America's television stations. With respect to this amendment, we will end up with conglomerates owning the majority of America's radio stations.

It is as inevitable as we have seen in other industries that concentration means less competition. Concentration is the opposite of competition. How people can preach competition and come to the floor of the Senate and advance the economic issues that lead to more economic concentration is just beyond me.

Even if that were to escape the folks who preach this unusual doctrine, one would think that at least the issue of localism would matter.

Let me read a quote, if I might, to my colleagues. Bill Ryan, of Post Newsweek, recently stated:

> The whole world is trying to emulate the local system of broadcasting that we have in this country, and here we are creating a structure that will abolish it or put it in the hands of a very, very few.

I do not know how you express it more succinctly than that. I understand why these things emerge in this legislation: It is big money, big companies, big interests. I understand the stakes here. But the stakes, it seems to me, that are most important are the stakes with respect to what is in the public interest in our country. Is it in the public interest to see more and more concentration of ownership in the hands of a few in television and radio, or is it not? In my judgment, the answer is clear; it is no.

So I just wish we could find a circumstance where those who preach competition would be willing to practice it. Practicing competition in this area would be to support this modest amendment. The Senator from Illinois comes to us with an amendment that provides for a limit of 50 AM and 50 FM stations that one person may own. I, in fact, think it ought to be lower than that. But the Senator from Illinois has proposed a modest approach, and then finds himself struggling because the very preachers of competition are suggesting that somehow the Senator from Illinois is proposing something that is wrong.

I tell you, there is a total disconnection of logic on the floor of the Senate on this issue. My friend from Montana grins about that. But I would bet all the cattle in North Dakota against all the cattle in Montana that 10 years from now if the broadcasting ownership deregulation provisions in this bill passes, that we will see the consequences that I have suggested. We will see massive concentration in television ownership and massive concentration in radio ownership.

The Senator from Montana will say, ''Well, that would be OK, because, they wouldn't compete against themselves, they would have different formats.'' They would have a couple different stations. One would be producing country western music and the other classical music. They will both be extracting, if they control the marketplace, the maximum amount of money from the advertisers in that marketplace.

The issue here is competition. If you bring this bill to the floor with a dozen flowery opening statements and talk about the virtues of competition, then there seems to me there is some obligation to practice competition with respect to the amendments and the language in this bill. This is exactly the opposite of the tenets of competition. These provisions which eliminate the ownership restrictions, will inevitably, lead to greater concentration of ownership.

That is the point I make, and that is why I support the amendment of the Senator from Illinois. We had a close vote on the ownership of television stations yesterday. I won that vote for about an hour. But that was before dinner. Then after dinner, we had a bunch of folks limping into the Chamber all bandaged up and changing their votes. What happened was apparently before dinner, they believed concentration of ownership in the television industry was not good. Then they had something to eat, or ate with someone who convinced them that concentration of ownership was good.

It would be interesting for me to hear how they explain that conversion over dinner, but I understand that you do not weigh votes, you count them.

I hope when we get to the issue of concentration of radio ownership that maybe we can win this one and maybe win for more than an hour. I think it would be in the public interest if we adopt the amendment offered today by the Senator from Illinois.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. DORGAN. I yield the remainder of my time.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. SIMON. Does the Senator want to speak on this amendment?

Mr. LEAHY. Mr. President, I ask unanimous consent that I be able to proceed for not to exceed 10 minutes on the Lieberman-Leahy amendment, amendment No. 1298.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 1298

Mr. LEAHY. Mr. President, I think the Lieberman-Leahy amendment is necessary because we have to make sure that if we deregulate cable rates, we do not do it on the backs of the consumers. And, right now we are. In most areas in this country, consumers are captive to monopoly cable service providers. In fact, the only thing that stands between the consumers' wallets and the monopoly cable company is regulation.

Under the telecommunications bill, the sure-fire way for a cable company to avoid regulation is to raise their rates across the country. It is very, very interesting what we are doing. If we sent this up for a national referendum, the Lieberman-Leahy amendment would be agreed to overwhelmingly. If we had a referendum by only some of the well-heeled PAC's and lobbyists around here, well then, of course, it goes down. So the question is: Who do we stand with?

We all get paid enough money so that $10 or $20 added onto our cable rates each month probably does not seem like a lot. But to most people living in Vermont or any other State in this country, that is a big difference. Ask people who get cable television in this country whether they think their cable rates would go up or down if monopoly cable companies are left to themselves to decide what the rates would be.

The American people are pretty smart. They know darn well if we let the cable companies have a monopoly and have no regulation, those rates are going to go up. They are never going to come down. The only times they have come down is when Congress stepped in. In fact, when we passed the 1992 Cable Act, President Bush vetoed it, and we overrode the veto, because consumers were being gouged by cable company monopolies. Cable rates were rising three times faster than the inflation rate. Every American knew it, and finally Congress got the message and they overrode the Presidential veto.

Consumers demanded action to stop the rising cable rates. The law worked. In fact, since passage of that law, consumers have saved an estimated $3 billion, and they have seen an average 17 percent drop in their monthly rates. As rates have gone down, more people have signed up. Last year alone, over 1.5 million new customers signed up for cable service. One would think the word would get across: If you keep the rates reasonable, more people are going to join.

The telecommunications bill would lift the lid on cable rates.

Under current law, cable rate regulation is dispensed with only when the FCC finds there is ''effective competition'' in a local market.

The telecommunications bill, as reported, would change this law by deeming ''effective competition'' to be present wherever a local phone company offers video programming, regardless of the number of subscribers to, or households reached by, the service.

The bill would also lift rate regulation for upper tiers of cable service, unless the cable operator is a ''bad actor'' and charges substantially more than the national average. Of course, the national average could be set by the two largest cable companies. They almost have an incentive to raise the national average and the rates.

In fact, the day after Senator LIEBERMAN and I held a press conference to voice our concerns over the cable deregulation parts of the bill, the managers' amendment to this bill was adopted in an effort to provide more protection to consumers from the spiraling cable rates after deregulation. But I do not believe it goes far enough.

The managers' amendment ties rate regulation to whatever the national average was on June 1 of this year, to be adjusted every 2 years. But that still means if the two or three largest cable companies raise their rates, the national average will go up, and rates for all consumers would spiral upward.

Now, Mr. President, if any one of us went to a town meeting in our State and we said: Here is the way we are going to set cable rates. We are going to allow two or three huge cable companies to determine what the national average will be for your rates, and we will leave it to their good judgment. Should they raise rates, well, then everybody's rates would go up. If they lower rates, everybody's rates will go down. And now, ladies and gentlemen in this town meeting, what do you think those big cable companies are going to do? Will they raise your rates, or will they say their subscribers are paying enough—''Let us lower the rates, let us give the average household a break?''

Well, just asking the question, we would get laughed out of the hall. Every American who gets cable knows the cable companies are not going to just lower the rates on their own. I hear this back home. I do not care if a person is Republican, Democrat, independent, whatever, they are saying the same thing: Cable rates are too high. They also say that unless you have real competition to bring rates down, do not leave the cable companies to set the rates, because they are never going to bring them down. They are always going to raise them. Under this bill, the more cable operators raise rates, the more they can avoid regulation of their rate increases. If cable rate regulation is lifted before you have effective competition, then you can expect the rates to go up at least $5 to $10 a month. We are trusting in the generosity and good will of the cable companies. Good Lord, Mr. President, we are all adults; we ought to be smart enough to know better than that.

The Lieberman-Leahy amendment would fix the cable rate regulation problems in the bill. Our amendment would use competitive market rates as a benchmark for whether rate regulation is needed to protect consumers. Instead of letting a few cable companies control the cable rates for all consumers in the Nation, our amendment would ensure that rates are fair. Regulators can step in to protect consumers when rates are out of line with competitive markets.

Small cable companies, particularly in rural areas, of course, have different economic pressures on them than operators in high-density areas. Our amendment would exempt small cable companies from rate regulation. If you are in rural Pennsylvania or rural Vermont, and your house is maybe a mile or two a part, it obviously would cost you more to set up your cable system than if you are wiring high-rise apartments in a high-density area.

I do not think we have to give cable companies any incentive to raise rates. Mr. President, I have a feeling the cable companies will figure out how they can raise rates, without us encouraging them to do it. I do not think any one of us wants to go back home and tell our constituents that we passed legislation that actually encourages cable companies to raise rates, rather than doing something to hold them down.

We stepped in once before, over a Presidential veto, to curb spiraling cable rates. The Lieberman-Leahy amendment ensures that consumers have the protection they need. Do you not think we ought to do this?

Now, if we have a situation where we have two or three cable companies in one community or one area, I would rely on competition to bring the prices down, and it will. But when you only have one cable company, or if you have a telephone company that has come in and bought out the cable company, so that you have a monopoly on top of a monopoly, Mr. President, altruism is not going to bring those rates down. People are not going to see their rates come down just out of good will on the part of the cable company. We are either going to have effective competition or regulation. If we have effective competition, let cable companies set their own rates. But if you have a monopoly, you should have regulation that is going to bring the rates down.

Again, I will tell you this. Any member of the public that is getting cable television would agree that if this was a referendum among the taxpayers of this country who have cable television, they would vote overwhelmingly for the Lieberman-Leahy amendment. If you are somebody representing one of the cable monopolies, of course, you

are not going to want it because it is going to say that you do not have a license to print money. That is basically what they are going to have—a license to print money—if we do not have some regulation on them.

Let us at least wait until there is real competition. Some have said that these new satellite dishes will do it. Well, there is only, I believe, 600,000 or so of those in the country. Less than 1 percent of the people get their service that way. It is about $600, $700 to set it up. Let us wait until there is real competition.

Mr. President, I yield the floor.

Mr. PACKWOOD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. PACKWOOD. Mr. President, I thank the Chair. I come to speak in strong opposition to this Lieberman-Leahy amendment. Seldom has something been so misguided, misconceived, and antimarket as what we have attempted to do to cable over the last decade.

I can speak with some degree of knowledge and history on this, because I was chairman of the Commerce Committee when we deregulated cable in 1984. When we deregulated them, we asked two things of them. One, give us lots more channels. Two, give us more diverse programming.

Mr. President, we got that in spades. There is hardly a person so young in this Chamber that they cannot remember precable days, when what you got was ABC, NBC, and CBS, through your local affiliates, maybe a public broadcasting station, and maybe an independent, unless you were in Los Angeles or New York. That was basically it on television. You got it with your rabbit ears.

Cable came in initially to fill a void where people could not get signals. Instead of growing from urban to rural, they grew from rural to urban. They began to realize if they were going to compete, they had to do more than just carry the signal of the major networks. And so when they were deregulated in 1984, they gave us what we asked for. Today, we have, unfortunately, limited them with that foolish 1992 act. But you could ''channel surf,'' as we have learned to call it, and be fascinated. I find Spanish language stations here in Washington. You can find three or four in Los Angeles, and a number of them in Corpus Christi. They program to the market on things that the over-the-air networks could not do because, by the very nature of the fact that you were over the air, you had to have a wide audience. You could not program to a narrow audience. Cable can.

Cable can make money on programming to a narrow audience. So consumers got services and programs that they wanted, that they could never get before. You cannot probably justify a history channel on NBC or ABC or CBS, broadcasting over the air to a broadband audience; probably could not on MTV, if you had to cover the entire audience in an area. But you can on this narrow broadcast.

Now this argument about competition, holy mackerel, Mr. President. The argument about a referendum, put this to a referendum, people would vote down what they are paying for cable. My hunch is if you put to a referendum what they pay for phone bills, they would put that down. And electric bills.

I hesitate to say what they would do if you gave them a referendum on congressional salaries. My hunch is they would vote that down. Is that the standard this representative body will be —whatever a referendum might be, that will be it?

If you were to pose the question in a different way to people, do you want to cut your cable prices in half and have your programs cut in half and have the channels taken off, you might get a different answer. But if the question is, do you want some costs lowered, what answer do you expect to get? I would like to have the price of gasoline lowered. I might put that up for a referendum and see what we get.

Now look at the competition argument. I heard the Senator from Vermont talk about 600,000. This is not 600,000 direct broadcast satellite over the year, but 600,000 what we call wireless cable.

This is growing. You normally have to have flat terrain, but this does not come from the satellite. Wireless cable, as we call it, is line-of-sight from a transmitter. Because the terrain is relatively flat, the line-of-sight is good.

Corpus Christi is a good example where the line-of-sight has taken a fair portion of the market and the prices are cheaper than normal cable, and you can transmit a good program over the air because you have a straight line-of-sight.

Obviously, that kind of programming is limited, but it is growing. That is the 600,000 subscriber figure that the Senator from Vermont talks about. They expect to have 600,000 within 2 years grow to 1.5 million, and 3.4 million by the year 2000.

In addition, you already have Bell Atlantic, NYNEX, Pactel, phone companies, all of them experimenting in small areas with carrying the equivalent of cable on their phone wire system.

That is going to expand. But then beyond that, direct broadcast satellite. Here is a business, 2,000 new subscribers a day. The company that makes the dishes cannot make them fast enough. Mr. President, 2,000 additional subscribers a day. We will have over 5 million subscribers to this by the year 2000, and I bet that is an underestimate.

Except for the local news, you can get every program from the direct broadcast satellite you can get from cable. If you want the local news, you know that 94 percent of the people in this country can get local news with rabbit ears. Local is local, you do not broadcast very far.

All you have to do is turn the switch on your television set from cable to over the air and you can get the local news. So the fact that the direct broadcast satellite cannot physically carry it at the moment is not an impediment.

Mr. President, the market works. While we are talking about communications, the best example to probably use is the cellular telephones. Again, I speak with some degree of history on this.

In 1981, when I was chairman of the Senate Commerce Committee, we passed a bill restructuring AT&T. They had to have separate boards for Bell labs, and we worked out an agreement that was satisfactory to a lot of parties.

The bill went to the House. Before the House acted, the antitrust settlement between AT&T and the Government was arrived at. The so-called modified final judgment. Therefore, the bill became moot.

AT&T and everybody else agreed to a different method of restructuring than we passed in the Senate Commerce Committee, and that agreement was that they would spin off all the local Bell companies. They would get out of the local business and keep the long distance business.

That was not the only agreement in the modified final judgment. There were lots of things that the local Bells could not go into—local information services, manufacturing. This was a structured settlement. Still regulatory, but very structured.

The one thing that the settlement left out was cellular telephones, because there was no future in cellular telephones of any great consequence, and nobody cared about it.

An analogy I used the other day was the dividing up of the Middle East by Britain and France after World War I. All of the Middle East had been part of the Turkish sovereign area. Turkey was allied with Germany in World War I, and Britain and France in the middle of the war said, ''When this is over we will take a lot of Turkey's territory in the Middle East and divide it among ourselves.''

At the end of the war, Britain took what has become now Israel and Jordan and Iraq. France took what has become Lebanon and Syria. Nobody wanted Arabia. It was not worth anything. Nothing but sand. So it got left out, on its own devices.

Today, it occupies a position of more extraordinary influence because of its oil reserves than all of the other countries, save Israel, put together.

Cellular telephones are the same analogy. They were left out of the modified final judgment. There were 100,000 of them in existence in 1982. AT&T predicted by the year 2000 there might be a million cellular telephones. Today, there are 25 million subscribers. Predictions are in 10 years that will be 125 million subscribers. I bet that underestimates the number.

This has happened because we did not regulate it. We left it to the marketplace. Does anybody think there is no competition in cellular telephone today? All you do is turn on your radio, turn on your television, open your newspaper, and you have company upon company stumbling over each year to compete for your business. ''Sign up, we will give a free phone.'' And you have to understand that you have to make so many phone calls or pay so much.

People are pretty darn smart and managed to figure this out. They have done well figuring out long distance, watching MCI ads, AT&T ads, the Sprint ads. They have also discovered that there are lots of small long distance companies.

I have over 40 long distance phone companies in Oregon that are what you would call niche carriers. They rent their time from AT&T. They are a bulk buyer, they will buy it. Then they say we have 24 hours of time over the week, or 10 hours of time over the day on such and such, and they go out and sell it. They are specialists in certain niches. Some sell to the medical profession. Some to the insurance profession. They figured out a way—the companies are not big, some 8 or 10 employees, and they are renting everyone else's facilities—to do something very narrowly and good that is better than the big company can do it.

We have seen this in telecommunications. The innovators in this field are not always IBM and AT&T. They are more often new companies that are spinoffs—not spinoffs, been formed by some 35-year-old engineer who left the company, mortgaged his house, sold his hunting dog, and both he and his spouse put up everything that they had to take a chance. And they succeeded.

Come back again to cable. There is no need for any regulation of cable at any level. They have more competition now than they can handle, and they will have more competition than they can handle. The consumer is going to be the beneficiary.

I hope, Mr. President, that the Lieberman-Leahy amendment would be defeated overwhelmingly. If there is any example of where the market is working, and will get even more and more competitive, it is in communications generally. It is in cable specifically.

I think to adopt this amendment to further regulate cable beyond which we have already regulated in 1992—and we should not—would be a terrible mistake.

Mr. LIEBERMAN. Mr. President, if I may respond very briefly to my friend from Oregon.

The PRESIDING OFFICER. The Senator from Connecticut should be advised he has used all the time on his amendment.

Mr. LIEBERMAN. Mr. President, I ask unanimous consent that I be allowed to speak for no more than 5 minutes.

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

Mr. LIEBERMAN. Mr. President, my friend from Oregon has spoken against my amendment which would maintain some kind of consumer protection in the pricing of cable, based on the wonderful service and the extraordinary range of programming that cable provides. Since I got into this fight when I was attorney general in Connecticut in 1984 when cable prices were deregulated and most consumers in America were left facing a monopoly with no competition, I have said I was very supportive of cable. I think cable is an extraordinary service to the American people. It has been delivered well, and I like the expansion of the program.

What I do not like is allowing that expansion to occur without giving consumers some protection, because they have only one choice to make, and what is significant to me is that the programming has continued to expand even since the regulation, the consumer protection that went on in 1992. So there is no reason to believe that, if we sustain some protection for consumers until they face competition, that will stop.

The second point is this. There just is not adequate competition at this time to existing cable. If there were, then the FCC would have pulled off regulation for cable in more than 50 markets where they say there is now effective competition out of more than 10,000 in the country. The fact is, the direct broadcast satellites which were thought to be the next wave of great competition for cable are only used by less than 1 percent of the cable consumers in America.

Telephone companies may get into this. They probably will. But the question is, When? Until that time, most cable consumers in America will have no alternative except the local cable company, and if this bill passes without the amendment Senator LEAHY and I have offered, the consumer will not only not have a choice of another system to offer multichannel services, cable as we know it, but will have no benefit of consumer protection. History tells us where there is no competitive market, where there is a monopoly supplier and no regulation, the consumer is in real danger of being taken advantage of.

So in my humble opinion, respectfully, I think this amendment is all that stands between millions of cable consumers and what I would take to be a definite increase in their rates over the coming years until there really is effective competition to hold the rates down.

Again, I love cable. My family watches; selectively, of course. But I do not, any more than any other consumer, including a lot of the elderly out there, people on fixed incomes, I do not want only one choice and no consumer protection.

This system has worked. It saved consumers money. The industry has continued to thrive. They continue to be able to raise capital. There is simply no reason to remove these consumer protections. I will say respectfully again, to me what has happened here is that, in the Trojan horse of this great telecommunications bill, there has been inserted inside a repealer of cable consumer protection without cause and at great cost to American consumers.

I hope my colleagues will support this amendment so none of us will have to explain to our consumers back home why rates have risen, as they surely will in the years ahead if this amendment is not agreed to.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BURNS. Mr. President, I really like this debate. But I would like to draw your attention to one thing. He says there is no competition. What is 2,000 subscribers a day being added to the DBS that provides the same channels, the same service—CNN, ESPN, all of those we enjoy now, and the USA, Lifetime, the History Channel, all of those—off direct broadcast satellite? What is that other than competition? If the rates get competitive, whether you are on a fixed income or not a fixed income, it makes no difference. And it is going to make both services better when they compete equally. There are no restrictions on DBS. Nobody is setting their rates.

If one remembers, since way back in 1990 when we were talking about this, there was a great groundswell that went across the country, what about cable rates? Did you take into consideration—when you used to buy maybe three Salt Lake stations and two Billings stations and a PBS station for $5 or $6 a month and then all at once we pay $21 now for 45, I think, something like that—our cost per channel? One does not have to take it. Nobody is standing there with a gun to your head saying, You have to sign up for cable. They go by more houses than they service. It is another part of the market. We are trying to sell a service.

At the same time we said, Do not reregulate the cables; allow effective competition. DBS was part of that; C-band; satellite dishes, they were a part of that. I think also in the same time—and the chairman and ranking member remember this—I offered the amendment on a telco bill to allow them in the cable business to provide effective competition, to add an entity that already has a wire into the house. They would have to change their technology a little bit, and that is what we are really doing is providing the new technologies that will travel on this great thing called fiber optics, or fiber and coaxial interphased for broadband, two-way, interact telecommunications. That is where we are going. That is why we need Mickey Mouse to pave the way for other things that we have in store, and that is distance learning and telemedicine and these types of things.

So what, is C-band competition? Sure it is. Is telco competition? Yes, they are. Is DBA competition? Yes, they are. Even the store down the street that sells videos to rent is competition to the same service the cable operators are trying to provide over that wire into the house.

I said this before: The glass highway, the information highway, may be already in place and it has been done by this marvelous growth industry called cable television. The competition is there, and I urge the colleagues to defeat this amendment.

Mr. President, the solution to the cable problem is competition, not continued regulation. In fact, after the 1984 Cable Act, deregulation of the cable industry resulted in substantial benefits.

The cable industry has made substantial investments in programming, plant and equipment, investments that have directly benefited consumers, in particular my constituents in Montana.

If all we heed and hear are the problems of cable, then I am afraid that we will have lost an opportunity, a chance to look into the future and to shape it; for we do shape the future of this Nation when we shape its telecommunications infrastructure. It is an infrastructure that is critical to the whole Nation—from the Lincoln Center in New York City, to Lincoln, NE, to Lincoln County, MT.

So in the continuing debate over what to do about the so-called cable problem, there are two alternatives. Solution one is competition. And solution two is regulation. It has been my experience that regulation can actually harm consumers by slowing innovation and stifling new services. On the other hand, nothing is more proconsumer than competition, most especially competition where there is a level playing field. And on no playing field can the benefits of competition be seen more clearly than on the field of communications. History teaches us that you cannot regulate technological advancements.

Regulation does a very poor job of guaranteeing a market choice for consumers. Most ironically, under a price regulatory regime, prices are unlikely to fall when they are effectively propped up by regulation.

On the other hand, we have all seen many instances where competitive market forces spur competitors to innovate in order to reduce costs and improve efficiency. And as costs come down, new technologies and new services can be extended to unserved areas. Those are the types of truly competitive market forces that I want to introduce, and the people of Montana need, to ensure that our State is fully served.

Again, I am not merely talking about video entertainment, I am talking about the communications revolution, and I want my constituents to benefit from that revolution and not be left behind by it.

Moreover, I want our Nation to lead that revolution much as we have led the revolutions for democracy around the world. Thus, I do not want the guarantee of participation in the electronic information age for the people of Montana to rest solely on heavy-handed regulation. I want Montanans to be able to rely on good old American know-how as stimulated by good old American competition.

I believe this competition is already arising through such technologies as DBS, wireless cable, the home satellite dish market, and even those technologies yet to be discovered. And I believe that with this legislation we have provided perhaps the best opportunity for competition in the video market by permitting the telephone companies to compete for cable services. And we have done so by promoting telco entry with safeguards and restrictions.

This legislation, drafted by this Congress, promotes the greatest public good by unleashing competition and technology to meet the Nation's needs. It will be this competition that will help ensure that a modern telecommunications infrastructure and innovative services are available to all Americans—and, most importantly, all Montanans—at reasonable prices. When telephone companies are able to compete with cable companies, as this legislation allows, a competitive cable market would:

First, put downward pressure on cable service rates;

Second, lead to greater diversity of television programming and program choices;

Third, accelerate the introduction of new services; and

Fourth, increase consumer access to high quality service.

I have been involved in this debate since I first arrived in the Senate. I believe that we are finally on the verge of passing a historic piece of legislation. I think that the Lieberman amendment is a significant step backward in our efforts. Competition is the answer, not re-regulation. I urge my colleagues to reject this amendment.

The PRESIDING OFFICER. All time on the amendment has expired.

The Senator from Connecticut.

Mr. LIEBERMAN. Mr. President, I ask unanimous consent to speak for 30 seconds.

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

Mr. LIEBERMAN. Mr. President, very briefly. My friend from Montana says 2,000 additional subscribers to direct broadcast satellites go on every day. That is compared to over 60 million cable customers. We are getting there, but we do not really have effective competition in most places in America. When we do, the FCC will pull this consumer protection off and then the consumers will be protected by competition.

I thank the Chair.

The PRESIDING OFFICER. The Senator from South Dakota.

AMENDMENT NO. 1283, AS MODIFIED

Mr. PRESSLER. Mr. President, I rise in strong opposition to the amendment by my good friend, Senator SIMON. The financial health and competitive viability of the Nation's radio industry is in our hands. We all agree that the telecommunications legislation we are considering is about competition and deregulation and not picking winners and losers. And we also agree that this legislation goes a long way toward giving cable, satellite, and the phone companies the freedoms they need to compete. We now need to agree to extend these same freedoms to the over 11,000 radio broadcasters in this country.

No other audio service provider, be they cable, satellite or telcos, has the multiple ownership restrictions that radio has. The language we are offering today eliminates those outdated radio-only rules.

It is imperative we in Congress end this discrimination against radio sooner by adopting this language, rather than wait for the bureaucracy to come around to it later, as this legislation as currently drafted would have it. Immediate action is critical because the FCC is on the verge of authorizing digital satellite radio service, whereby 60 new radio signals will broadcast in every market in the United States. This satellite service will be mobile and available in automobiles, homes, and businesses. Also, cable already provides 30 channels of digital radio broadcasting in markets across the United States under a single operator. Obviously, an incredible diversity of voices has been achieved with even more competition to radio quickly making its way down the information highway. Yet, let us not lose sight of the fact that all of these welcome new voices are also aggressive competitors for radio's listeners and advertisers, and, unlike radio, these competitors are not burdened with radio's multiple ownership restrictions nor do they have the same public service obligations as radio broadcasters.

Our Nation's radio broadcasters have a strong tradition of providing the American people with universal and free information services. In a telecommunications environment increasingly dominated by subscription services and pay-per-view, it is essential that we not foreclose the future of free over-the-air radio by restricting ownership options, for radio serving the public interest and competing are not mutually exclusive. They are complementary.

So it is left up to us to empower radio so it can grow strong well into the next century and continue to serve our communities as it has done so well for the past 70 years.

The last point I would like to make is perhaps the most important. Relief from ownership rules works. In the early- and mid-1980's the FCC issued hundreds of new radio licenses, and the market became oversaturated with

radio stations without sufficient advertising revenues to support the increase. However, in 1992 the FCC granted limited relief in radio ownership restrictions. After many years of financial losses, suddenly radio became an attractive area for investment and an alarming multiyear increase in stations going off the air was arrested. The economies of scale kicked in. Stations gained financial strength through consolidation, and its overall ability to serve its markets and compete for advertising improved.

Allow me to quickly cite some statistics. In 1993, a year after the new limits took effect, the dollar volume of FM-only transactions almost tripled—$743.5 million—while radio station groups sales grew 44 percent.

In 1994, sales prices of single-FM stations rose 12.7 percent from 1993's $743.5 million to $838 million, and from 1993 to 1994, the total volume of AM radio station sales shot up 84 percent, totaling $132 million.

There is every reason to believe that all of these positive trends will continue to flourish if we remove radio's outmoded multiple ownership restrictions.

Clearly, maintaining local and national radio ownership limits in the face of tomorrow's competitive environment is not only unfair but it is a major step back.

Mr. President, let me emphasize that I understand some statements have been made. I understand that CBS does not support the Simon amendment. Bill Ryan is the NAB Joint Board Chairman. He supports the NAB position which is adamantly opposed to the Simon amendment. Mr. Ryan's comments, which Senator SIMON cited, related to TV ownership and not radio ownership.

Mr. President, I urge Senators to come to the floor to make their statements on the various pending amendments.

I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

AMENDMENT NO. 1298

Mrs. HUTCHISON. Mr. President, I would like to speak against the Lieberman-Leahy amendment. The Lieberman-Leahy amendment will finish this bill once and for all.

The PRESIDING OFFICER. The Senator will be advised that all time has expired on the Lieberman-Leahy amendment.

Mrs. HUTCHISON. I ask unanimous consent that I be allowed to speak for up to 5 minutes on the bill and on the Lieberman-Leahy amendment.

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

Mrs. HUTCHISON. Thank you, Mr. President.

Mr. President, the Lieberman-Leahy amendment will reregulate cable.

What we are trying to do with this bill is deregulate so that we have a level playing field, so that more people can come into the competitive market, and so that the consumers will benefit from the lower costs and lower prices. The Lieberman amendment will take away the balance that has been established in this bill. It will put the FCC back into the regulatory business. It will cause these cable companies to have to come to the FCC to spend their money paying lawyers' fees instead of dropping their prices and going to the bottom line.

I am sure that the intent of the amendment is very good. They want to make sure that we have low cost if there is not competition. But what we are trying to do here is promote competition so there will be choices, so that the consumers will have the ability to pick and choose.

The Lieberman amendment will put one more hassle to the cable companies even when it is not necessary.

I have watched day after day after day the chairman of the committee, on which I serve, and the ranking member talking about the need for this bill. It will put $3 billion into our economy in new jobs, and it will be a benefit to consumers. They have done a wonderful job. But what is very important to remember here is that we must keep a level playing field. And we have tried to balance.

Sometimes we have done something that the long distance companies do not like. Sometimes we have done something that the local Bell companies do not like. Sometimes we have done things that the cable companies think is onerous. This would be an onerous regulation that would put the FCC back in the mix when we do not need the FCC. We are trying to take the FCC out of every arena that we possibly can. The FCC is very much in the bill, I must say, of course. For instance, in broadcast ownership, we want the FCC to look at broadcast ownership to make sure there is not the concentration that would take away the diversity of voices in a market. But it is very important that we keep the balance. We must be able to say at the end of this bill that probably everybody does not like it as a perfect bill but we have allowed people to come into the process to compete, and we have tried to make the cost the least possible, and we have tried to make the cost fair. But the underlying element of this bill is that we take the regulations out to the greatest extent possible.

Mr. President, if we are going to even look at the Lieberman-Leahy amendment, it is going to gut the bill from the standpoint of keeping the level playing field, continuing to encourage competition, and giving the consumers the benefit of all the choices that will be available. If we can pass this bill and keep it fair, the telecommunications industry in this country is going to explode. It is going to be a wonderful boon to our economy. New jobs will come into the market. Consumers will get more choices. We will have choices that we have not even dreamed of today. We will have choices of technology that will give us the ability to research and grow because we are taking the regulations out of this bill to the greatest extent possible.

So, Mr. President, I think the chairman of the committee and the ranking member have done a terrific job. They have cooperated. There has been disagreement on every major part of this bill, but we have not worked on this bill for days. We have not work on this bill for weeks. We have not worked on this bill for months. In fact, we have worked on this bill for years. We have talked about telecommunications deregulation for years in this country. I am a person who is not even a regulator. I do not like any regulations. I would like for Congress not to even be in the process. But because technology has exploded and because we have had a regulatory environment that has caused an unfair and unlevel playing field, we have had to correct the wrongs, and we are doing that by trying to reach a balance. That is what this bill does. The LIEBERMAN amendment will take that balance away, and we must not allow that to happen.

So I thank the Chair. I thank the chairman of the committee and the distinguished ranking member for their leadership. We must stick with the committee on this amendment. It is very important for the future of our jobs, of our economy, and for the consumers of our Nation.

I thank the Chair. I yield the floor.

Mr. PRESSLER. Mr. President, I thank the Senator from Texas for her great work and leadership on this telecommunications bill. She has been a stalwart in drafting this bill and in making it happen. Her leadership was crucial and I thank her very, very much.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER (Mr. SHELBY). The Senator from Texas.

Mrs. HUTCHISON. Will the Senator yield for a question and comment?

I just wish to say that I did not mention this because I was talking about the level playing field of all of the competitors, but the other element here that the chairman and the ranking member have worked so hard on is the protection of our cities and our State regulatory boards.

Our cities have rights-of-way that they must control, and that is something that we worked very hard to make sure was not encroached on. We would have chaos if someone came in and said, Well, I now have the right to dig a hole in the middle of your street, without the city maintaining that control.

So I wish to say that that is another element of this bill that is protected,

and the cities of America owe a great debt of gratitude to the chairman and the ranking member.

I thank the Chair.

Mr. PRESSLER. I thank the Senator.

AMENDMENT NO. 1325, AS FURTHER MODIFIED

Mr. PRESSLER. Mr. President, at this time, we are prepared to call up an amendment that has been agreed to that we will not have to have a vote on, and that is the Warner amendment. I would like to call up amendment 1325.

The PRESIDING OFFICER. The pending question is amendment No. 1325, as modified. Is there further debate?

Mr. HOLLINGS. Is there a modification?

Mr. PRESSLER. I have the perfecting amendment. I send an amendment to the desk and I ask for its immediate consideration. It is a perfecting amendment.

Mr. HOLLINGS. It should be a substitute, I think. It should be drafted as a substitute for the amendment.

The amendment (1325), as further modified, is as follows:

1. On page 102, after line 25, insert a new subsection as follows:

''(e) INFORMATION ON PROTOCOLS AND TECHNICAL REQUIREMENTS.—The Commission shall prescribe regulations to require that each Bell operating company shall maintain and file with the Commission full and complete information with respect to the protocols and technical requirements for connection with and use of its telephone exchange service facilities. Such regulations shall require each such Bell company to report promptly to the Commission any material changes or planned changes to such protocols and requirements, and the schedule for implementation of such changes or planned changes.''.

2. Redesignate subsequent subsections accordingly.

The PRESIDING OFFICER. If there is no objection——

Mr. PRESSLER. Mr. President, I would just like to say a word or two.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. PRESSLER. I would like to praise Senator WARNER. In his usual gracious way, we worked on this amendment for a few days, and we had various meetings with Senator WARNER and some of his constituents who are concerned about this manufacturing clause.

His original amendment he has agreed to set aside in favor of this modification. My colleague from South Carolina, the ranking member of the committee, has long been an expert in this area, having authored the bill on manufacturing that passed the Senate. He has graciously agreed to this modification.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, this deals, of course, with the technical requirements for connection to the telephone exchange service facilities, which is quite appropriate. It does not allude to the research and design with respect to manufacturing. That has been cleared.

I join in the distinguished chairman's praise of Senator WARNER and his efforts here to clarify this to make certain that everyone could be prepared and on notice as to facilitating the interconnection services. So I join in the amendment as amended, I take it.

The PRESIDING OFFICER. If there is no objection, the amendment as so modified is agreed to.

So the amendment (No. 1325), as further modified, was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, is time controlled at this point?

The PRESIDING OFFICER. Time is controlled on each amendment.

Mr. KERRY. Mr. President, I rise and will only speak for a very few minutes, but I would like to indicate my support for the cable provisions of S. 652 as it has been brought to the floor by the distinguished chairman and ranking member and the committee, of which I am a member.

AMENDMENT NO. 1298

Mr. KERRY. I want to voice, therefore, my opposition to the Lieberman-Leahy amendment. All of us are concerned about cable rates. We made a major effort a number of years ago to try to regulate that and guarantee that the consumer is going to have the lowest possible price. In my judgment, the fundamental thrust of this bill which has been very carefully tailored to work a balance between many varied very powerful interests, the fundamental effort of this bill is to create competition which will reduce rates across the board.

I think all of us have learned that when you have regulation, you inevitably have a skewing of the market which impacts the capacity of people to take risks, people to raise capital, people to invest and diversify. It is my belief that the upper tier versus the lower tier of regulation is sufficiently well tailored in the legislation that we sent out of committee that the interests of consumers are protected.

In point of fact, it is my belief that the availability of direct broadcast satellite today and the availability of video dial that is going to come on so rapidly people are going to be dizzy when they begin to see it, that to maintain a regimen of strict upper tier regulation on cable would be to disadvantage cable's capacity to be able to make the kind of investment necessary that this bill envisions, precisely to be able to compete with the regional Bell operating companies and to begin to create the dynamic synergy that we are looking for in the marketplace.

So I believe the greatest protection for consumers is, in fact, going to come from competition for video services, and I believe that competition is well structured and maintained in the format that has been brought to the floor.

When consumers have a choice and the marketplace is not artificially constrained, then that marketplace is going to provide for rates that are reasonable. I think that anybody who looks at the current intentions of the regional Bell operating companies and long distance operators and those who are going to be moving into the provision of video services will understand that if cable all of a sudden went out and started raising its rates at any tier, it is going to be significantly noncompetitive, it will build resentment among consumers, and they will quickly move to the new provision of services.

I can speak to this on a very personal level because I have recently been making choices about where to put what kind of service in my own residence. I was amazed at the number of direct broadcast capacities versus cable that I could make a choice on right now.

Second, Mr. President, consumers do not only care about rates, they also care about the quality of the service and they care about the breadth of programming that is available to them. They want both of those as well, and they want that from cable. If cable all of a sudden ceases to do that, they are going to have the opportunity to make another set of choices because of the very things that we are proposing in this legislation.

Finally, this bill incorporates a so-called bad actor provision, so that the FCC can step in immediately if a cable company begins to move in a direction which is clearly anticonsumer or out of order with what the rest of the companies in the Nation are doing.

So, in my judgment, our objective should not be to strengthen the regulation of rates that cable now is allowed to collect for its upper-tier service. On the contrary, our objective ought to be to maximize competition and to get the Government out of the way of allowing these companies to begin to compete and the price mechanism to be able to provide the maximum amount of consumer benefit.

I think anybody who looks at what has happened in the last 5 or 10 years in this field cannot help be amazed at the way in which competition and private-sector initiative has changed the landscape of the provision of these services, and it will do so at such an extraordinary rate over the course of the next few years that Americans will, I think, understand the attributes of what the committee has brought to the floor.

So I urge my colleagues to stay with the committee mark and the chairman's and ranking member's efforts to try to maximize competition and to oppose the Lieberman-Leahy amendment.

At this time, I also express my admiration for the long efforts of the distinguished chairman and ranking member, and for the efforts of the ranking

member when he was chairman, to really structure this. This has been a long road. I think that the balance, which is so difficult to maintain in this, has been maintained throughout, and I think we are going to be able to get a solid piece of legislation to the conference committee where further improvements can be made.

Mr. HOLLINGS. Mr. President, let me thank the Senator from Massachusetts. It has been a long road for all of us on our Committee on Commerce. We have been working veritably about 4 years to revise and bring to modern technology the provisions of the 1934 act. The distinguished Senator from Massachusetts has been a leader in participating as his staff has worked around the clock. I appreciate his comments.

Mr. BRYAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. BRYAN. Mr. President, I inquire of the floor manager, I would like about 3 minutes to speak in opposition to the Simon amendment.

Mr. HOLLINGS. Go right ahead.

AMENDMENT NO. 1283, AS MODIFIED

Mr. BRYAN. Mr. President, I rise in opposition to the Simon amendment which would strike language currently in the bill which removes radio ownership caps. I must say, I do so with reluctance because I have a great deal of affection and find myself generally in support of my good friend from Illinois when he takes the floor. In this instance, I believe his concerns are misplaced.

Currently, there are approximately 11,000 radio stations in this country. Unfortunately, far too many are losing money. The last figures that have been called to my attention would indicate that about half of those stations are actually losing money. If we do not take some action to help these stations, an increasing number will continue to fail.

One way to help radio stations get out of the red is to permit them to use economies of scale that they can achieve from consolidating their operations. Lifting the ownership cap will permit radio stations to achieve these efficiencies.

When the FCC raised the cap several years ago, we found that, in fact, this is what happened. Without ownership caps, economic forces will determine the appropriate size of stations. This, in my judgment, is a decision better left to the marketplace instead of some Government-mandated number.

I believe an ownership cap was put on radio stations many years ago because of the concern for undue concentration. In this day and age, such a concern, in my opinion, is unwarranted. With the avalanche of entertainment sources available to the public today, there is no need to worry that a concentration will cause public harm.

Cable systems already provide up to 30 channels of digital audio in a single market under a single owner. Satellite digital audio will soon be able to deliver 60 channels of digital music in every market across the country. Satellite television, like direct TV, now offer 30-plus radio channels to homes. This deluge of new entrants into the radio business will ensure that competition exists.

Extending the artificial restrictions on radio ownership will give the industry the wherewithal to compete against other mass media providers. It is my view that by ending these artificial restrictions, we encourage more competition and give the public greater choice. I urge my colleagues to oppose the Simon amendment.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. HOLLINGS. 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. PRESSLER. 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. PRESSLER. Mr. President, I urge that Senators come to use time on these amendments. We are down to about an hour before the majority leader will start us voting, and we are trying to get agreements on amendments and we are negotiating. If anybody who wants to make a speech, we will make arrangements to speak in general on the bill or on an amendment. I urge Senators to come to the floor to finish this bill.

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. I ask unanimous consent that I might speak for a period of time not to exceed 7 minutes as in morning business.

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. 926 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

AMENDMENT NO. 1298

Mr. CRAIG. Mr. President, S. 652, as modified by the Dole-Daschle leadership amendment, balances reduced regulations with increased competition. That is exactly what the goal of the chairman has been all along.

I think the legislation recognizes that investment in new technology is an essential part of developing an advanced telecommunications infrastructure here in the United States.

Therefore, S. 652 provides a more stable and reliable business environment for both cable and television companies by reducing regulations and encouraging competition.

Mr. President, S. 652, as reported by the Commerce Committee, includes the following:

First, maintained the regulation of basic cable rates until there is effective competition.

Second, redefined the effective competition standard to include a telephone company offering video services.

Third, allowed competition from phone companies.

Fourth, deregulated upper tier programming, but kept it subject to a bad-actor provision. The bad-actor provision allows the FCC to make expanded tier services subject to regulation if rates are unreasonable and substantially exceed the national average of rates for comparable cable programming services.

These provisions were certainly a step in the right direction: away from regulations and toward more competition.

During consideration of S. 652, the Senate adopted the Dole-Daschle leadership amendment by a vote of 77 to 8, which included language addressing the concerns of those who believe that, despite the safeguards already contained in S. 652, it might lead to unreasonable rate increases by large cable operators.

It established a fixed rate, June 1, 1995, for measuring the national average price for cable services and only allows for adjustments to occur every 2 years. This provision eliminates the possibility that large cable operators could collude to artificially inflate rates immediately following enactment of S. 652.

The bill, as amended, establishes a national average based on cable rates in effect prior to the passage of S. 652 when rate regulation was in full force.

It excluded rates charged by small cable operators in determining the national average rate for cable services.

This provision addresses the concerns that deregulation of small system rates, which was included as part of the Dole-Daschle amendment in S. 652, would inflate the national average against which rates of large cable companies would be measured.

It specified that national average rates are to be calculated on a per channel basis.

This provision ensures that national average is standardized and takes into account variations in the number of channels offered by different companies as part of their expanded program packages.

It specified that a market is effectively competitive only when an alternative multichannel video provider offers services comparable to cable television.

This provision ensures cable operators will not be prematurely deregulated under the effective competition provision if, for example, only a single

channel of video programming is being delivered by a telco video dial tone provider in an operator's market.

In addition, the leadership amendment also included critical provisions deregulating small cable operators.

In short, Mr. President, the reason I have given this explanation is the Dole-Daschle amendment tightened the bad-actor provision on expanded tier services and further limited the definition of effective competition.

This compromise closed any possible loophole that would allow large cable operators to unreasonably raise rates. It gave relief to our small cable companies and maintained the delicate balance struck in S. 652 of reduced regulations with increased competition.

The reason, again, I think it is important that we understand this, Mr. President, is that the Lieberman amendment puts us back at square one in this effort to move toward more competition in the cable industry. While it does include language similar to the leadership amendment that would deregulate small cable operators, the Lieberman amendment would undermine the competitive objectives of S. 652.

The amendment further restricts the national average standard by limiting it to the ''national average rate for comparable programming services in cable systems subject to effective competition.''

Mr. President, this is a backdoor route that leads back to the restrictive rate regulation standard similar to what now exists: regulating rates that substantially exceed those of companies subject to effective competition. It is precisely this standard that has created the highly bureaucratic regulatory morass that has stymied cable television investment, and therefore service to the consumer.

As I stated in my opening remarks on this bill last week, I opposed the Cable Act of 1992, and I voted against passage of that bill.

Since the enactment of S. 12—that was the Cable Act—I have received numerous complaints from fellow Idahoans who felt that the changes resulting from S. 12 worsened, rather than improved, their cable service and cost.

In addition, a number of very small independent cable systems in Idaho have been in jeopardy as a result of that near closure and have been forced to pay astronomical costs associated with implementing the act.

A rural community hardly benefits if it loses access to cable service because the local small business that provides service cannot handle the burden of Federal regulations. Quite the opposite is true.

Competition, not regulation, will encourage growth and innovation in the cable industry, as well as other areas of telecommunications, while giving the consumer the benefit of competitive prices.

Mr. President, I would again suggest to my colleagues the importance of not losing sight of the ultimate goal of reforming the 1934 Communications Act, which should be to establish a national policy framework that will accelerate private sector deployment of advanced telecommunications and information technologies and services to all Americans by opening all telecommunications markets to competition.

In addition, working toward the goal will spur economic growth, create jobs, increase productivity, and provide better services at a lower cost to consumers.

The balance of reduced regulations with increased competition contained in the provisions relating to cable in S. 652 will lead to the very important goals I just stated.

In addition, Mr. President, I am concerned if we continue to restrict the ability of cable companies to obtain capital necessary to invest in new programming and services, we will also be limiting the ability of cable companies as competitors to local phone monopolies.

Cable companies will require billions of dollars of investment to develop their infrastructures in order to be competitive providers.

The Federal regulation of cable television has restricted the cable industry's access to capital, made investors concerned about future investments in the cable industry, and reduced the ability of cable companies to invest in technology and programming.

Mr. President, rate regulation will not maintain low rates and quality services in the cable industry. Quite the opposite will occur. We have already seen it. Only competition will provide the kind of services that our consumers want.

New entrants in the marketplace such as direct broadcast satellites and telco-delivered video programming will provide competitive pressures to keep cable rates low and fit within the framework of the market. Cable companies are likely to provide the needed competition to keep the telephone local exchange market operating.

In short, Mr. President, deregulation of the cable industry is essential for a competitive telecommunications market, and it is necessary as the element of S. 652 and the competitive model envisioned in this bill.

I urge my colleagues to vote ''no'' on the Lieberman amendment. It is not a step forward. It is a step backward to the industry. It is clearly a step backward to the consuming public.

Mr. PRESSLER. Mr. President, could I briefly state that I have received a series of letters—the first of which I became aware of last night, from Time Warner. The first letter stated something that was not true, and it was sent to various people.

As discussed with you and your staff, this agreement is entirely contingent on the removal of the program access provisions . . .

And so forth. That was not true. So last night, I faxed to Timothy Boggs a letter stating in part:

At no time during our conversation did I indicate that any specific action by Time Warner would result in deletion of the program access provisions. I have had no further conversation with HBO/Time Warner about this matter since that meeting. My staff has not portrayed my position as being anything other than the industry negotiations suggested on May 4. Nothing I said during our short meeting could be construed as suggesting some sort of quid pro quo, which would be wrong, if not illegal. I resent the inference in your letter that I suggested something other than an industry-negotiated solution.

I have this morning obtained a letter from Time Warner saying ''* * * the facts are exactly as outlined in your letter.'' It goes on to say that ''* * * at no point did we seek or reach understanding with you or your staff regarding any change in the legislation.''

Mr. President, I ask unanimous consent to have these three letters printed in the RECORD.

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

TIME WARNER,
June 13, 1995.

Hon. LARRY PRESSLER,
Chairman, Committee on Commerce, Science, and Transportation, U.S. Senate, Washington, DC.

DEAR CHAIRMAN PRESSLER: As you requested, the attached signature page confirms that Home Box Office has reached an agreement with the National Cable Television Cooperative, Inc. for HBO programming. As discussed with you and your staff, this agreement is entirely contingent on the removal of the program access provisions at Section 204(b) of S. 652, prior to Senate action on the legislation.

On behalf of Time Warner and HBO, I am pleased to report that we have reached this agreement and respectfully request that this provision be removed from the bill at the earliest possible opportunity. Without removal of this provision from the bill, the HBO distribution agreement with the NCTC will be void.

Thank you for your leadership on this matter. Please feel free to contact me if I can be of any assistance to you or your staff. I can be reached at my office at 202/457–9225 or at home at 202/483–5052.

Warm regards,

TIMOTHY A. BOGGS.

U.S. SENATE, COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION,
Washington, DC, June 15, 1995.

Mr. TIMOTHY A. BOGGS,
Senior Vice President for Public Policy, Time Warner, Inc., Washington, DC.

DEAR MR. BOGGS: Your faxed letter of June 13 contains misleading statements which do not accurately reflect my position.

On May 4, 1995, I met briefly with you, Ron Schmidt and HBO/Time Warner executives, in the presence of my staff, regarding the program access provision of S. 652. During that meeting, HBO/Time Warner urged me to support deletion of the program access provisions of the bill.

I stated that the program access provision was of enormous importance to small cable operators, including those in South Dakota. I suggested that if the program providers disliked the provision, they ought to negotiate with the small cable operators to reach an agreement which might address the problems this portion of S. 652 is attempting to solve. Specifically, since Ron Schmidt is from my home state, I suggested that he talk to a

small cable operator from South Dakota, Rich Cutler, to see if an industry compromise were possible.

At no time during our conversation did I indicate that any specific action by Time Warner would result in deletion of the program access provisions. I have had no further conversations with HBO/Time Warner about this matter since that meeting. My staff has not portrayed my position as being anything other than the industry negotiations suggested on May 4. Nothing I said during our short meeting could be construed as suggesting some sort of quid pro quo, which would be wrong, if not illegal. I resent the inference in your letter that I suggested something other than an industry-negotiated solution.

Your letter indicates that failure to delete the program access provisions from the bill would vitiate any negotiated agreement HBO/Time Warner had reached with the small cable operators. While HBO/Time Warner is free to negotiate contracts as they see fit, such tactics, in my opinion, cannot be considered as good faith negotiations. Your letter implies that I tacitly approved such a condition, which is not the case.

I expect you to send this letter to the same individuals who received your letter to me. Your letter is misleading, and does not accurately characterize my position as presented in my May 4 meeting with HBO/Time Warner.

Sincerely,

LARRY PRESSLER,
Chairman.

TIME WARNER,
June 15, 1995.

HON. LARRY PRESSLER,
Chairman, Committee on Commerce, Science, and Transportation, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter of today. I write to respond and to join you in setting the record straight.

First, I am as distressed as you that any statement I have made could be misconstrued or infer anything other than the facts.

Second, the facts are exactly as outlined in your letter.

Third, at no point did we seek or reach understanding with you or your staff regarding any change in the legislation. Any understanding Time Warner and HBO have reached on this matter has been entirely with our private business associates.

Finally, as stated in my letter of June 13, Time Warner has urged that the Senate remove Section 204(b) from S. 652 because we are confident that industry negotiations, by ourselves and others could result in a change of business practices that would make Section 204(b) no longer necessary. Our good faith negotiations have borne out this confidence. I remain pleased to report that HBO and NCTC have reached a distribution agreement.

In closing, let me personally apologize for any misunderstanding my letter has caused. I deeply regret this confusion and remain available to discuss this matter with any interested party. As you request, I will distribute your letter of today to the very few people who received a copy of my letter to you of June 13.

Sincerely,

TIMOTHY A. BOGGS.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I very much appreciate the remarks my friend and colleague from South Dakota just made. He has had printed in the RECORD an outrageous letter, an outrageous letter from Time Warner on June 13, addressed to Senator PRESSLER, chairman of the Commerce Committee. Any lobbyist who would write a letter like this, especially when it is not true, should make a public apology. And his powerful employer, Time Warner, should do likewise. I am referring to the letter of June 13 that the Senator from South Dakota has just entered into the RECORD.

He has also entered in the RECORD a letter of June 15, which is supposedly an apology from Timothy Boggs for the letter he earlier wrote. However, in the letter of June 15, while admitting that his previous letter was in error, and in a way apologizing for it, I do not see anything in the letter that indicates to me that Time Warner may not have had or thought they had a quid pro quo with some other Members of the U.S. Senate.

What we are talking about here is money, and that is one of the problems with this whole telecommunications bill, in which I have had an integral part to play. I want to say Senator PRESSLER is an honorable man. He is a good and hard-working Member of the Senate and has a very decent staff. He is a friend and a colleague I respect, and I congratulate the Senator on his letter to Time Warner and their response. I object to the action taken by Time Warner and Viacom—two of the big giants today—for putting the U.S. Senate in a difficult if not compromising position.

Probably nothing else better demonstrates the power of the lobbyists around this place, who overreach and overreach and overreach, and get not only themselves but the reputation of this body in some degree of disrepute. There are good and substantive arguments for and against the cable volume discount provision in the committee-passed bill. Time Warner and Viacom have told the Senate they will give discounts to the small cable operators, as we had provided for in the bill, if and only if, Mr. President—they have not gotten themselves off the hook as far as this Senator is concerned—they will agree to these discounts that they never would have thought of had we not incorporated this in the bill, and they simply say that if and only if the Senate removes the volume discount language for the small cable operators will they carry out their commitment.

They still have a quid pro quo and it is wrong. That is why this Senator last night objected to any unanimous consent requests that by voice vote we change the committee's position. I will insist on a rollcall vote. There may well be good reasons for the Senate to change that provision that came out of the Commerce Committee. Time Warner has obviously put all kinds of pressure on the small cable operators around the United States, which they can do. So now we have a situation, as I understand it, where the small cable operators, whom we wanted to protect to some degree with regard to insisting on some discounts, now have been pressured by Time Warner to appeal to us to eliminate the proviso of the bill.

I do not want to see the Senate agree to something like that, because I think whether we do it knowingly or unwittingly, we place ourselves in a position of being influenced when maybe that is not the case.

There comes a time when the U.S. Senate, despite money, despite power, despite pressure from competing interest groups, has to stand up and do what we think is right. Just because of the action of the Commerce Committee to provide some measure of relief for the smaller cable operators, who by and large are at the complete indirect control by the biggies like Time Warner, the little guys are now appealing that the big guys have said they will go along with what we want to do if we will knock it out of the piece of legislation.

This has gone way too far. Time Warner and Viacom have taken the small cable operators hostage, just like hostages are being taken in Bosnia today. They have taken these little guys hostage and they say, ''If you will knock this out of the bill, then somehow we will get along.'' I think this is the time to teach Time Warner and every other lobbyist—and there are a lot of good lobbyists around this place—that they overstep their bounds. They clearly overstepped their bounds when they wrote the referenced letter I had just cited and which was placed in the RECORD by my friend and colleague, an honorable man, the Senator from South Dakota, Senator PRESSLER.

I hope we will recognize that Time Warner is attempting to take hostages. I think we should say to Time Warner, grab them right by the throat if we have to, and say: Mister, you may be very big and you may have control like no one else has ever had of our entertainment industry, but you cannot control the U.S. Senate.

Therefore, I will insist upon a vote and I will be against any kind of a voice vote because I think this is the time to teach some of these larger companies that enough is enough. These large companies are saying to the Senate, ''If you do not remove this provision, we will not give fair prices to the small cable operators.'' They are trying to take the U.S. Senate hostage, also. If we, the U.S. Senate, do what Time Warner and Viacom want us to do, this type of contingency is dangerously close to a quid pro quo. It is not right and is probably illegal. The U.S. Senate should not negotiate with hostage takers.

Mr. President, because of this tactic, I insist on a rollcall vote on trying to knock out the volume discount provisions. The Senate can work its will but I will stick by the committee's provisions.

Mr. BYRD. Will the Senator yield?

Mr. EXON. I will be glad to yield to the Senator.

Mr. BYRD. Mr. President I thank the Senator for his clear and forceful statement. And I share his views. May I say

that I am glad he will insist on a vote. If he does not, I will.

It seems to me—I will have more to say later—that the good work, the efforts, and the many hours and days and weeks and months that the committee has devoted to this legislation run the risk now of coming to naught, as far as this Senator is concerned.

It appears to me that in our efforts to control bigness, bigness is weighing in, and I am not going to be impressed by bigness or by money or by heavy lobbying.

I think this also goes to show we should not have voted for cloture yesterday. I voted against cloture. This is a massive bill. It is an important bill. I am sure it has a lot of good elements in it. But here at the last minute, we are under pressure now. Cloture has been invoked. And some kind of an agreement has been entered into to stack amendments with 2-minute explanations.

I thank the distinguished majority leader for including the ''2-minute explanation'' in the agreement. I went to him personally yesterday and asked him to do that. If there are going to be stacked votes, at least we should have some explanation.

But I think this situation should cure us of stacking votes, great numbers of votes with only a minute or 2 minutes of explanation. This is the United States Senate where debate is unlimited, unless we invoke cloture or enter into time agreements.

From now on, I am not going to be very congenial with respect to stacking a large number of votes. But to have a string of stacked votes on a very complicated bill that I do not understand, and I am not sure any other Senators will understand what is in this bill by the time this amendment process is completed, to call up amendments, and debate them for only 30 minutes; very complicated amendments; the kind of amendments that should be offered in committee, or, if they are going to be offered on the floor, there ought to be adequate debate so that we all know what we are doing—is going too far, especially if the vote on final passage is to occur immediately following the disposition of the enumerated amendments.

So I thank the Senator for stating that he will insist on a vote, and I want to put leadership on notice that in the future this one Senator is going to be a little more reluctant to enter into time agreements on complex matters like this and stack votes, to be followed by the immediate passage of a bill. There seems to be a mindset here that we have to finish any complex bill in 3 days or 4 days. I am not sure that Senators ought to be in such a hurry.

I am disturbed by the Time Warner letter. It is disturbing. It may be that this will be one of the straws that breaks the camel's back as far as this Senator is concerned in respect of the vote on this bill.

I thank the Senator for yielding.

Mr. EXON. Mr. President, may I have just one second to thank my friend from West Virginia for his usually thoughtful remarks? I appreciate them very, very much. As one who has presided over and has put the U.S. Senate on course, I think his words are well taken.

Mr. SIMON. Mr. President, I take 3 minutes of my time on my amendment.

I first want to comment on what Senator BYRD just had to say. I think in general we can say there are rare occasions when we take too much time on a bill. There are too many occasions when we take too little time on a bill, as far as legislative process.

AMENDMENT NO. 1283, AS MODIFIED

Mr. SIMON. I would like to just speak very briefly on an amendment that I have in. The present practice of the FCC is to limit radio station ownership by any one entity to 20 AM and 20 FM stations. The most any one entity now has is 27 total. The bill, without my amendment, takes the cap off completely. My amendment says let us put a cap of 50 AM, 50 FM, far more than we have now by any one entity. It is a 150-percent increase. But let us not move to the day when we have too much concentration of the media. I think that is not a healthy thing.

One of my colleagues speaking against my amendment says this is what is happening in the newspaper business. It is. It is not healthy in the newspaper business. But we do not have any control over that. We do have control through Federal licensing of radio stations and television. My amendment goes further than some people would want. I say let us increase that 40 limit now to 100. But let us not let anyone who wants control of the radio stations of this Nation to have unlimited ability to get those radio stations.

I hope my amendment will be approved.

The PRESIDING OFFICER. Who yields time?

Mr. SIMON. Mr. President, if no one wishes the floor, I question the presence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

UNANIMOUS-CONSENT AGREEMENT

Mr. PRESSLER. Mr. President, I ask unanimous consent that at the hour of 12:15 p.m., the Senate proceed to a vote on or in relation to the McCain amendment No. 1285, to be followed by a vote on or in relation to the Simon modified amendment No. 1283, to be followed by a vote on or in relation to the Lieberman amendment No. 1298, with the remaining provisions of last night's consent agreement remaining in place.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 1285

The PRESIDING OFFICER. The hour of 12:15 p.m. having arrived, there are 2 minutes—1 minute per side—for discussion of the amendment and then voting will occur on the amendment offered by the Senator from South Dakota, [Mr. PRESSLER] for the Senator from Arizona [Mr. MCCAIN].

The Senator from South Dakota is recognized.

Mr. PRESSLER. Mr. President, I urge my colleagues to vote for the McCain amendment and to vote the other amendments down. The arguments have been made. So I yield back the remainder of my time. I yield back all time.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 1285 offered by the Senator from South Dakota for the Senator from Arizona. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Utah [Mr. HATCH] is necessarily absent.

I further announce that, if present and voting, the Senator from Utah [Mr. HATCH] would vote ''yea.''

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

The result was announced—yeas 98, nays 1, as follows:

[Rollcall Vote No. 264 Leg.]

YEAS—98

Abraham	Feingold	Lugar
Akaka	Feinstein	Mack
Ashcroft	Ford	McCain
Baucus	Frist	McConnell
Bennett	Glenn	Mikulski
Biden	Gorton	Moseley-Braun
Bingaman	Graham	Moynihan
Bond	Gramm	Murkowski
Boxer	Grams	Murray
Bradley	Grassley	Nickles
Breaux	Gregg	Nunn
Brown	Harkin	Packwood
Bryan	Hatfield	Pell
Bumpers	Heflin	Pressler
Burns	Helms	Pryor
Byrd	Hollings	Reid
Campbell	Hutchison	Robb
Chafee	Inhofe	Rockefeller
Coats	Inouye	Roth
Cochran	Jeffords	Santorum
Cohen	Johnston	Sarbanes
Conrad	Kassebaum	Shelby
Coverdell	Kempthorne	Simpson
Craig	Kennedy	Smith
D'Amato	Kerrey	Snowe
Daschle	Kerry	Specter
DeWine	Kohl	Stevens
Dodd	Kyl	Thomas
Dole	Lautenberg	Thompson
Domenici	Leahy	Thurmond
Dorgan	Levin	Warner
Exon	Lieberman	Wellstone
Faircloth	Lott	

NAYS—1

Simon

NOT VOTING—1

Hatch

So the amendment (No. 1285) was agreed to.

Mr. PRESSLER. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1283, AS MODIFIED

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

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

The yeas and nays were ordered.

Mr. SIMON. Mr. President, parliamentary inquiry. My understanding is that before these next two amendments are voted on, the supporters get 1 minute, and the opposition gets 1 minute to explain.

The PRESIDING OFFICER. The Senator is correct. Two minutes are equally divided.

Mr. SIMON. Mr. President, if I may have the attention of my colleagues, the present FCC rule says one entity can own 20 AM stations and 20 FM stations, or a total of 40. Right now, the maximum owned by any one entity is 27.

This bill takes the cap off completely. My amendment says we will put a cap of 50 AM, 50 FM, a 150-percent increase, but do not take the cap off completely.

We should not concentrate media ownership in this country. It is not a healthy thing for the future of our country. I hope Members will resist the motion to table my amendment.

Mr. PRESSLER. Mr. President, I hope my colleagues will table this amendment. We voted on this last week in the leadership package, the Dole - Daschle - Pressler - Hollings package. We voted something like 78 to 8. This matter has been settled in this bill. It takes apart the leadership package. I urge everyone to table it. It is more regulation and I ask we proceed.

I yield the remainder of my time.

The PRESIDING OFFICER. The question occurs on the motion to table amendment No. 1283 offered by the Senator from Illinois [Mr. SIMON]. The yeas and nays have been ordered.

The clerk will call the roll.

The bill clerk called the roll.

Mrs. KASSEBAUM (when her name was called). Present.

Mr. LOTT. I announce that the Senator from Utah [Mr. HATCH] is necessarily absent.

I further announce that, if present and voting, the Senator from Utah [Mr. HATCH] would vote ''yea.''

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

The result was announced—yeas 64, nays 34, as follows:

[Rollcall Vote No. 265 Leg.]

YEAS—64

Abraham	Chafee	Exon
Ashcroft	Coats	Faircloth
Baucus	Cochran	Ford
Bennett	Cohen	Frist
Bond	Coverdell	Glenn
Breaux	Craig	Gorton
Brown	D'Amato	Graham
Bryan	Daschle	Gramm
Burns	Dole	Grams
Campbell	Domenici	Grassley
Gregg	Lugar	Shelby
Hatfield	Mack	Simpson
Heflin	McCain	Smith
Hollings	McConnell	Snowe
Hutchison	Moseley-Braun	Specter
Inhofe	Murkowski	Stevens
Inouye	Nickles	Thomas
Jeffords	Nunn	Thompson
Kempthorne	Packwood	Thurmond
Kohl	Pressler	Warner
Kyl	Roth	
Lott	Santorum	

NAYS—34

Akaka	Feinstein	Moynihan
Biden	Harkin	Murray
Bingaman	Helms	Pell
Boxer	Johnston	Pryor
Bradley	Kennedy	Reid
Bumpers	Kerrey	Robb
Byrd	Kerry	Rockefeller
Conrad	Lautenberg	Sarbanes
DeWine	Leahy	Simon
Dodd	Levin	Wellstone
Dorgan	Lieberman	
Feingold	Mikulski	

ANSWERED ''PRESENT''—1

Kassebaum

NOT VOTING—1

Hatch

So, the motion to lay on the table the amendment (No. 1283), as modified, was agreed to.

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

I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1298

Mr. PRESSLER. Mr. President, I move to table amendment No. 1298, and I ask for the yeas and nays.

The PRESIDING OFFICER (Mr. ABRAHAM). Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Under the order, there are 2 minutes equally divided between the proponents and the opponents of the amendment.

The Senator from Connecticut.

Mr. LIEBERMAN. I thank the Chair.

I rise to speak against the motion to table. I ask my colleagues to listen for these 60 seconds.

I usually do not make predictions on the floor of the Senate. But based on my experience in cable consumer protection for more than a decade, I will predict to my colleagues that, if this bill passes unamended, most American cable consumers will see significant rate increases in the next couple of years. These rate increases are not necessary. In 1984, Congress removed regulation from cable consumers. It was a disaster. Rates skyrocketed.

In 1992, on a bipartisan basis, we came back and put in reasonable consumer protections, and they have worked brilliantly. Rates are down 11 percent, and the cable companies are thriving, with the highest profit margins in the telecommunications industry, and with a great ability to continue to raise capital. There is no reason to remove the protections that cable consumers have in this bill.

My amendment simply restores a standard of the marketplace saying that no cable company will be regulated unless it charges more than the average in markets where there is effective competition.

This amendment is not perfect, but it is all that stands between our constituents and significant cable rate increases every month for the next several years.

I thank the Chair.

Mr. PRESSLER. Mr. President, I ask my colleagues to table this amendment. This amendment is undoing the leadership package, the Dole-Daschle package, which we voted on already. The Dole-Daschle package and the committee bill will increase competition and will cause consumer rates on cable to go down as more entrants enter the market.

I urge that we table this amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Dakota to lay on the table the amendment of the Senator from Connecticut. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MACK (when his name was called). Present.

Mr. LOTT. I announce that the Senator from Utah [Mr. HATCH] is necessarily absent.

I further announce that, if present and voting, the Senator from Utah [Mr. HATCH] would vote ''yea.''

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

The result was announced—yeas 67, nays 31, as follows:

[Rollcall Vote No. 266 Leg.]

YEAS—67

Abraham	Faircloth	McCain
Akaka	Ford	McConnell
Ashcroft	Frist	Moseley-Braun
Baucus	Gorton	Murkowski
Bennett	Gramm	Nickles
Bond	Grams	Nunn
Breaux	Grassley	Packwood
Brown	Gregg	Pressler
Bryan	Harkin	Reid
Burns	Hatfield	Robb
Campbell	Heflin	Roth
Chafee	Hollings	Santorum
Coats	Hutchison	Shelby
Cochran	Inhofe	Smith
Cohen	Inouye	Snowe
Coverdell	Jeffords	Specter
Craig	Kassebaum	Stevens
D'Amato	Kempthorne	Thomas
Daschle	Kerrey	Thompson
DeWine	Kerry	Thurmond
Dole	Kyl	Warner
Domenici	Lott	
Dorgan	Lugar	

NAYS—31

Biden	Glenn	Moynihan
Bingaman	Graham	Murray
Boxer	Helms	Pell
Bradley	Johnston	Pryor
Bumpers	Kennedy	Rockefeller
Byrd	Kohl	Sarbanes
Conrad	Lautenberg	Simon
Dodd	Leahy	Simpson
Exon	Levin	Wellstone
Feingold	Lieberman	
Feinstein	Mikulski	

ANSWERED ''PRESENT''—1

Mack

NOT VOTING—1

Hatch

So the motion to lay on the table the amendment (No. 1298) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

AMENDMENT NO. 1303

Mr. STEVENS. Mr. President, the next item to be taken up is my amendment No. 1303, which I have offered along with my good friends, the Senator from Hawaii, Senator INOUYE, and the Senator from New York, Senator D'AMATO.

This amendment would clarify the resale provisions of section 255 by requiring the Bell companies to make resale service available at prices reflecting the actual cost of providing those services or functions to another carrier.

The amendment seeks to carry out and really clarify the delicate balance of the bill. It really is just that, an amendment to clarify the relationship of sections 251 and 255. I do believe, however, that we have developed a situation where there is a misunderstanding about the actual terms of my amendment.

I might state that when I offered it, I thought it was an amendment that had support. I offered it along with a series of other amendments. As the Senate realizes, all of those amendments have been accepted by agreement. There has been no dissension concerning them.

I feel it essential this amendment have further study in order that it will maintain the delicate balance that this bill requires. I will be a conferee on this bill, and it is my intention to make certain that this subject is called up in the conference.

Any amendment clarifying these two provisions would be within the scope of the conference, in my opinion, and it is my intention to ask that this amendment be withdrawn at this time.

I want my friend from Hawaii to have a chance to make a comment about this before I do, however, because I want to make sure everyone understands that we are not abandoning this subject, we are going to postpone it to the conference in the hope that we will be able to work out an amendment there which will have the same success as the other amendments we have worked on so long, which have been adopted by unanimous consent.

I yield to my friend from Hawaii.

Mr. INOUYE addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I wish to join my colleague from Alaska in assuring all those who support the measure that it is not our intention to let it die at this stage. We will most certainly, as conferees, insist that this matter be discussed and, hopefully, we will be able to convince our colleagues in the House and the Senate to adopt it.

So, reluctantly but I believe necessarily, I will concur with the action that is about to take place.

Mr. PRESSLER addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. PRESSLER. Mr. President, I want to pay tribute to the two Senators from Alaska and Hawaii. They are two giants of the Senate and giants in our committee. They will both be conferees. They have provided enormous leadership.

We just feel, at this time, that we have carefully crafted an agreement, and the checklist, and so forth, might come apart. So we have decided to delay this discussion until conference. I want to pay tribute to both of them being willing to help move this bill forward. I thank them very much.

Mr. DOLE. Let me concur in the statement made by the manager. This is a controversial area. I think the managers have indicated they are both going to be conferees. It will be considered at that time, and it is within the scope of the conference. There is a disagreement, but this may help solve it. I thank my colleagues.

Mr. STEVENS. Mr. President, I ask unanimous consent that we may withdraw amendment 1303.

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

So the amendment (No. 1303) was withdrawn.

AMENDMENT NO. 1292

The PRESIDING OFFICER. The pending question is amendment No. 1292, offered by the Senator from West Virginia [Mr. ROCKEFELLER].

Mr. HOLLINGS. On behalf of the distinguished Senator from West Virginia, Senator ROCKEFELLER, I ask unanimous consent that the amendment be withdrawn.

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

So the amendment (No. 1292) was withdrawn.

AMENDMENT NO. 1341

The PRESIDING OFFICER. The pending question now is amendment No. 1341, offered by the Senator from South Dakota, Senator PRESSLER, for the majority leader.

Mr. HOLLINGS. 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. PRESSLER. 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. PRESSLER. Mr. President, I hope we can turn now to the Heflin amendment.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the pending Dole amendment be set aside so we can bring up the Heflin amendment.

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

AMENDMENT NO. 1367

Mr. HEFLIN. Mr. President, I believe this has been cleared by both sides. This deals with amendment 1367, which I previously sent to the desk.

This deals primarily with a rule, in urban areas, where there is a small town that has a limited number within the incorporated area or the urbanized area, and has a high percentage of customers in rural areas.

It is a unique situation in regard to cable systems that have gone out beyond the incorporated limits, and they have sold to customers there. That is a pretty expensive type of thing.

When they go out, there is not the density on the lines that you have in the city. In rural areas, you might have one customer per mile, and in the cities you may have 1,200 customers to a mile, or 1,000 customers to a mile.

This sort of takes care of a situation for rural areas. It affects those where I believe there are no more than 20,000 subscribers, and a high percentage is in urban areas. I move the adoption of this amendment.

Cable systems with less than 20,000 subscribers are extremely concerned that they will be unable to compete with the telephone companies once they enter the cable business, a very legitimate concern. Because of the very real possibility that they will be run over by their local telephone company if the only option is to compete head-to-head, small cable systems would like to have the option to form a joint venture with their local telephone company or to be acquired by their local telephone company.

The bill as it is currently written would disallow small cable systems in urbanized areas to form joint ventures or to be acquired by their local telephone company. Due to the broad definition of an urbanized area, many small cable systems serving very rural areas will be ineligible to form a joint venture or to be acquired by their local telephone company because they technically fall within the definition of an urbanized area.

My amendment would allow cable systems in an urbanized area that serve a significant number of subscribers in nonurbanized areas to be eligible to participate in joint ventures or to be acquired.

These small cable operators serving a significant number of rural subscribers but who are swept into the urbanized area definition should be given the option of forming joint ventures or of selling to their local telephone company. Without these options, S. 652 could well force many of them out of business.

Mr. PRESSLER. Mr. President, I want to commend the Senator from Alabama. I know he is leaving the Senate next year. We will miss him.

This is a good amendment. We agree to it. I think it will help smaller cities in rural areas. We are prepared to pass

the amendment. I move we adopt the amendment. I congratulate my friend.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1367) was agreed to.

Mr. HEFLIN. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. PRESSLER. 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. DOLE. 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. DOLE. Mr. President, I think one of the remaining two amendments is the amendment of the Senator from Kansas.

The PRESIDING OFFICER. That is correct. That is the pending question.

AMENDMENT NO. 1341

Mr. DOLE. Mr. President, let me state very simply the purpose of this amendment. I do not know anything about all the Time Warner material. It has nothing to do with this amendment. I heard the Senator from Nebraska. I thought we would be able to accept this amendment, but I understand he has a problem with it.

As I understand it, not being a member of the committee, the current bill is tantamount to Government price-setting in the programming market. The language in the bill would remove programmers from taking advantage of universally accepted marketing practices such as volume discounts.

It seems to me all I am doing is to strike out this section. It strikes a provision of the bill that would have the effect of regulating the prices paid by small cable TV companies for programming. And the intent of the provision was to crack down on those programmers who were gouging small operators. But, unfortunately, it also impacts on good programmers who did not engage in the price-gouging effort.

Finally, small cable TV companies have now negotiated good contracts. I have a letter from the National Cable Television Cooperative, Inc., and also a letter from Turner Broadcasting, which suggests that Discovery Communications, Black Entertainment Television, and Turner Broadcasting support my motion to strike section 204(b). They set forth the reasons:

Although described as a ''small cable operator'' amendment, section 204(b) would effectively entitle every cable operator to the price charged to the largest cable operator. . . .

Which was never the intent. So we were just going to take it out. They have now negotiated good contracts.

I also include the letter from Turner Broadcasting and the letter from the National Cable Television Cooperative. Let me quote a part of that.

We are pleased to report that the National Cable Television Cooperative has reached agreements with Time Warner's Home Box Office Unit, Showtime Network, Inc.'s Showtime and the Movie Channel Services, and Viacom's MTV Network Services. . . . As a result of this important change in circumstances, we no longer believe that the changes to the program access provisions of the Cable Act proposed in Sec. 204(b) of S. 652 are necessary, and we can accept the removal of those provisions from the bill.

I know the Senator from Nebraska brought in a lot of material on Time Warner. I do not have anything to do with that. I do not know anything about Time Warner. I mentioned their name myself a couple of weeks ago in Hollywood. So I do not have a dog in that fight. I do not understand what it is all about.

All I am doing is striking out a section that is no longer necessary, and it is supported, as I said, by Discovery Channel, Black Entertainment Television, Turner Broadcasting, National Cable Television Cooperative.

I will yield the remainder of my time. There may be time in opposition.

Mr. President, I ask unanimous consent the two letters be printed in the RECORD.

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

NATIONAL CABLE TELEVISION COOPERATIVE, INC.,
Lenexa, KS, June 15, 1995.

Hon. LARRY PRESSLER,
U.S. Senate, Chairman, Committee on Commerce, Science and Transportation, Washington, DC.

DEAR CHAIRMAN PRESSLER: We are pleased to report that the National Cable Television Cooperative has reached agreements with Time Warner's Home Box Office Unit, Showtime Network, Inc.'s Showtime and the Movie Channel Services, and Viacom's MTV Network Services (MTV, VH1, and Nickelodeon). As a result of this important change in circumstances, we no longer believe that the changes to the program access provisions of the Cable Act proposed in Sec. 204(b) of S. 652 are necessary, and we can accept the removal of those provisions from the bill.

As you know, other conflicts remain. Despite repeated attempts by the Cooperative, we have failed to conclude master affiliate agreements with many non-vertically-integrated networks which are exempt from existing law.

For example, we were recently notified by Group W of their intent not to renew our long-standing contract for Country Music Television. (Originally negotiated by NCTC with CMT's former owners in 1989, prior to CMT's purchase by Group W/Gaylord). Group W has also steadfastly refused to conclude a contract with us for The Nashville Network. The most difficult of many other examples we could cite would be that of ESPN.

Please accept our deepest appreciation for lending your support and good offices to bringing about a resolution of this matter which we believe is mutually beneficial to all parties.

Sincerely,

MICHAEL L. PANDZIK,
President.

TURNER BROADCASTING SYSTEM, INC., WASHINGTON CORPORATE OFFICE,
Washington, DC, June 14, 1995.

Hon. ROBERT DOLE,
Hart Senate Office Building, Washington, DC.

DEAR SENATOR DOLE: I am writing on behalf of Discovery Communications, Black Entertainment Television and Turner Broadcasting System, Inc., to support your motion to strike section 204(b) of S. 652, the ''Telecommunications Competition and Deregulation Act of 1995.''

Section 204(b) would remove the words ''legitimate economic benefits'' from current law, thereby outlawing the volume discounts charged by certain programmers (those with 5% co-ownership with cable systems) even where the volume discounts are economically justified.

Although described as a ''small cable operator'' amendment, section 204(b) would effectively entitle every cable operator to the prices charged to the largest cable operator, working substantial economic harm to the affected networks. Moreover, since section 204(b) applies only to some and not all programmers, it would have a very unfair competitive impact.

We deeply appreciate your efforts to correct this problem with the bill.

Sincerely,

BERTRAM W. CARP,
Vice President, Government Affairs.

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

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. 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. HOLLINGS. 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. HOLLINGS. Mr. President, I thought the time was limited. I understand the time is not limited on this amendment.

I would simply say, with respect to the merits, that programmers give big cable operators the volume discounts and not to the small cable operators. So, in trying to provide for that universal service and to make sure that it is extended, particularly to the high-cost and rural areas, the provision in the bill is that the small cable operators get the similar discounts.

With the Dole amendment, that would be removed. There would be high-volume discounts to the big cities, let us say, and higher costs thereby and a diminution of universal service to the rural areas of America.

So, this side would oppose the amendment on the merit itself. There is some question in this Senator's mind, without seeing anything further, on how this amendment came to the floor. With that in mind, let me yield to my colleagues who have come.

I understand the distinguished Senator from Iowa wants to talk as in morning business while we are waiting.

Mr. PRESSLER. Mr. President, could I just make a statement on the program access issue?

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. PRESSLER. Mr. President, I rise in strong support of the Dole amendment. Coming from a rural, small-city State, I have long been concerned with program access. In fact, in the 1992 cable bill, my main reason for supporting it was not the pricing side so much as the program access side. It is a controversial thing, but I think the pricing side of it was a mistake but the program access side was a necessary thing.

To understand this amendment, or this issue, remember that program access is not something that everybody has. I remember one of our REA's, which transmit TV signals by microwave, wanted to get ESPN on their channel and they could not even get ESPN to return a phone call because they were too small. So there was a need for program access. And this amendment is continuing in that tradition. So this is a subject that all of us have worked on for years.

The program access portions, I think, of that act have worked at least to help the smaller cities and to help the rural areas where they transmitted by microwave from one farm to the next where it is too expensive for cable lines to run. Nobody will sell those people programming because it is not worth it financially. There are myriad interests concerned with this issue. I know the Black Entertainment Network has endorsed this amendment for the same reason, that they are very much in need of program access.

There has been much discussion over the program access provisions contained in S. 652. From the beginning of this process, I wanted to deal with the problem which many small operators have faced in being charged higher rates for programming. S. 652's program access provision is important to small cable operators, especially those in South Dakota. Program providers strongly object to this provision. I suggested to the program providers that they work with the small cable operators to seek an industry agreement which could make a legislated solution unnecessary. The president of the National Cable Television Cooperative, Michael Pandzik, the organization that purchases programming on behalf of the small cable operators, wrote to me that the cooperative has reached agreement on the small cable rates on programs from the major vertically integrated entertainment companies. As a result, I support the amendment by Senator DOLE to strike the program access language change in S. 652.

The PRESIDING OFFICER. The question is on the amendment.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Will the Chair advise the Senator from Nebraska what is the pending matter before the Senate?

The PRESIDING OFFICER. The pending matter before the Senate is amendment No. 1341, offered by the Senator from South Dakota for the majority leader.

Mr. EXON. I thank the Chair. This is the amendment I had discussed earlier in the day. As I understand it, the Senator from South Dakota is recommending and has introduced this amendment for the majority leader, notwithstanding the discussions that we had earlier in the day on this specific matter?

Mr. PRESSLER. I am sorry, would my friend——

Mr. EXON. I simply say I want to understand what is being proposed. Do I understand the Senator from South Dakota is offering the amendment for the majority leader?

Mr. PRESSLER. The majority leader offered it for himself and spoke for it.

Mr. EXON. Now you are calling it up for a vote, is that correct?

Mr. PRESSLER. Yes, if the Senator from Nebraska wishes.

Mr. EXON. No, it is fine to have the vote. I am not going to object to that. There is no way I can object to a vote.

I would simply say to my friend from South Dakota, is he, as the leader of the bill, recommending that the Senate vote for the Dole amendment?

Mr. PRESSLER. Yes, I am. I have a long tradition of support for program access. I voted for the 1992 cable bill mainly because of program access issues. Yes, I am recommending that.

Mr. EXON. I would simply say, I think the Senator from South Dakota knows this Senator came to the defense of my friend and colleague from South Dakota earlier because of what I thought was terrible precedent setting with regard to the letters that had been distributed, apologies given on this whole matter.

Notwithstanding the serious objection that the Senator from South Dakota, I thought, had with regard to the lobbying activities that took part on this, notwithstanding that, am I to understand the Senator from South Dakota is still going to support the measure?

Mr. PRESSLER. Yes. I have stated my views in my letter. But the underlying substance of this amendment I support.

Mr. EXON. Is the Senator saying that while he objects to the way this matter has been handled, the end result, in his opinion, is that it is good for rural areas with regard to receiving television material?

Mr. PRESSLER. Yes. I gave an example when the Senator was not here of some of my rural telephone co-ops having difficulty getting ESPN. We had to get the Vice President out there. My reason for supporting the 1992 Cable Act was program access. The substance of the amendment is good for the country, I believe. It is very much in keeping with that.

I wrote a letter back to Time Warner regarding that matter and have placed it in the CONGRESSIONAL RECORD. They wrote me a letter back. The National Cable Television Cooperative group supports it very strongly. I have a letter from them. I cited this earlier.

We are pleased to report that the National Cable Television Cooperative has reached agreements with Time Warner's Home Box Office Unit, Showtime Network, Inc.'s Showtime and the Movie Channel Services, and Viacom's MTV Network Services (MTV, VH1, and Nickelodeon). As a result of this important change in circumstances, we no longer believe that the changes to the program access provisions of the Cable Act proposed in Sec. 204(b) of S. 652 are necessary, and we can accept the removal of those provisions from the bill.

As you know, other conflicts remain. Despite repeated attempts by the Cooperative, we have failed to conclude master affiliate agreements with many non-vertically-integrated networks which are exempt from existing law.

For example, we were recently notified by Group W of their intent not to renew our long-standing contract for Country Music Television. (Originally negotiated by NCTC with CMT's former owners in 1989, prior to CMT's purchase by Group W/Gaylord). Group W has also steadfastly refused to conclude a contract with us for The Nashville Network. The most difficult of many other examples we could cite would be that of ESPN.

So, in any event, I think we are all aware of these problems. I support the substance of the amendment. I disagree with the way Time Warner dealt with that particular letter. I wrote them a strong letter back, and they wrote me a letter stating my letter was absolutely accurate, and they apologized.

Mr. EXON. Just so that I understand this, I would like to have my colleague from South Dakota explain a little bit more. As I understand it, Time Warner and all these other good folks that control massive sections of our entertainment industry were not treating the small cable owners in South Dakota and elsewhere fairly, in the opinion of the Senator from South Dakota and the Senator from Nebraska and the Senator from South Carolina, the ranking Democrat on the Commerce Committee.

Therefore, we wrote into the telecommunications bill that was reported out of committee language that would have required Time Warner and all these other good folks, who were very much concerned about the public interest and public access, and not interested in making money—we wrote that in there to try to force them to treat the subscribers to cable in South Dakota and elsewhere fairly.

Is that accurate? Is that an accurate reflection of what I thought we did in committee?

Mr. PRESSLER. I believe that the legislative process here, as it moves forward, is trying to be fair, and different Senators have different points of view. Senator DOLE has brought his amendment forth and has spoken on it, having made the arguments for it. I think the Senator's comments are most welcome.

I have a long record of fighting hard for program access. The Black Entertainment Network has endorsed this effort by Senator DOLE. I think it is a very good effort.

Mr. EXON. Is it fair to assume that, in the opinion of the Senator from South Dakota, Time Warner and all these good folks would not have made this arrangement at this very late hour had it not been for the actions that we in the Commerce Committee took to address some things that were going on with regard to the way Time Warner and others treated rural areas? Is it safe to assume, in the opinion of the Senator from South Dakota, that this grand compromise at the last minute would not have been reached had we not taken the action that we did in the Commerce Committee on the telecommunications bill?

Mr. PRESSLER. It is hard to say. But let me say that I have for years fought hard for program access for smaller cable people, for our rural people, and there is an understanding with the president of South Dakota East River Electric. We could not get ESPN even to return our calls. Finally, we called the head personnel up in New York and they sent a person out, and ultimately Time Warner may be responding to that.

The point is that there is a constant battle, trying to balance between price and program access. The same thing happened when Hubbard put up his satellite, DBS. He had a hard time getting program access.

All of us on the Commerce Committee, including the Senator from Nebraska, I am sure, and others, worked on this. That is a key part. Program access is a key part of this whole business. That is what we are working on.

Mr. EXON. So the Senator from South Dakota cannot confirm my suspicion that the grand compromise being offered by the Dole amendment would not likely have taken place had we not acted in the committee.

Mr. PRESSLER. The Senator from Nebraska will have to reach his conclusions. Obviously, he has reached some. If an intraindustry solution can be reached, a legislative mandate is not necessary. The NCTC has negotiated for small cable, and those intraindustry negotiations will undoubtedly continue.

We can reserve the opportunity to restore this language if the programmers of small cable cannot reach an accommodation in conference. My friend from Nebraska will no doubt be in that conference. So we welcome him.

Mr. EXON. I simply say that I will not take any more time on this. There will be others who may want to speak on it.

I happen to think this whole proposition is a pretty sorry mess. It seems to me that if we approve the Dole amendment, which Time Warner and others would like to have, we would simply be saying, regardless of your improper activities, regardless of the letters that you wrote within the last few days, which I thought was unfair to the Senator from South Dakota and others, and certainly unfair to the processes and workings, legitimate processes and workings, of the U.S. Senate, then I think it would be entirely proper to vote for the Dole amendment.

On the other hand, if you feel as I do that this is kind of a blot on the U.S. Senate, and that if we vote for the Dole amendment we are just going to be saying to Time Warner and others to come in with your strong-arm lobbying, come in with your accusations in the form of letters about Senator PRESSLER and others, but we are all going to have one happy ending here now, because we have gotten together in a grand compromise and, therefore, this is a good for everyone.

The fact that Time Warner, in my opinion, has taken hostages through the small cable operators that you in South Dakota and myself in Nebraska, and my colleague from Nebraska, Senator KERREY, have tried to protect, it seems to me that we in the Senate, if we adopt this amendment, are winking and saying: You should not have done that, but you are going to get what you want in the end anyway.

I urge rejection of the Dole amendment.

Mr. HOLLINGS. Mr. President, let me join in the sentiment of the Senator from Nebraska. And to elaborate on my previous remark, I just quietly said it disturbed me—the process by which this particular amendment has reached consideration in the U.S. Senate. I figured, as the expression was used earlier, that I did not have a dog in the fight because I had been shown a letter to the Honorable LARRY PRESSLER, the chairman, dated June 13, which has already been included in the RECORD.

I will let my previous remarks be sufficient except that now I am shown another letter that is signed by Timothy Boggs, talking of the agreement. That letter, being dated June 13, says:

> As you requested, the attached signature page confirms that Home Box Office has reached an agreement with the National Cable Television Cooperative, Inc. for HBO programming. As discussed with you and your staff, this agreement is entirely contingent on the removal of the program access provisions at Section 204(b) of S. 652, prior to Senate action on the legislation.
>
> Without the removal of this provision from the bill, the HBO distribution agreement with NCTC would be void.

I had nothing to do with it, and nothing was addressed to me. I have now sent the staff to look, because these things surface.

I have been given another letter, dated June 13, 1995, signed by Mr. Mark M. Weinstein, with a copy to Senator BOB DOLE and Senator ERNEST F. HOLLINGS. I ask unanimous consent that the letter in its entirety be printed in the RECORD.

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

VIACOM, INC.,
New York, NY, June 13, 1995.

Hon. LARRY PRESSLER,
U.S. Senate, Senate Russell Office Building, Washington, DC.

DEAR MR. CHAIRMAN: As you know, at your request, Showtime Networks Inc., a cable programming division of Viacom, has been negotiating in good faith with the National Cable Television Cooperative (NCTC) to reach an agreement regarding carriage of its cable programming services.

We are pleased to report that we have reached an agreement between NCTC and Showtime for carriage of our premium cable services. NCTC also requested, just recently, that MTV Networks (MTVN) begin discussions over the basic cable services. Accordingly, MTVN has been negotiating in good faith with NCTC over carriage of the basic cable services. We are committed to continuing to negotiate and hope to reach an MTVN agreement in the near future.

We ask for your support in ensuring the adoption of an amendment deleting the volume discount language in S. 652, as previously agreed. Thank you for your assistance in this matter.

Sincerely,

MARK M. WEINSTEIN,
Senior Vice President.

Mr. HOLLINGS. I will read that to make certain that my comments are right to the point. This is to Chairman PRESSLER.

Dear Mr. Chairman: As you know, at your request, Showtime Networks, a cable programming division of Viacom, has been negotiating in good faith with the National Cable Television Cooperative to reach an agreement regarding carriage of its cable programming services.

We are pleased to report that we have reached an agreement between NCTC and Showtime for carriage of our premium cable services. NCTC also requested just recently MTV Networks, MTVN, begin discussions over the basic cable services. Accordingly, MTVN has been negotiating in good faith with NCTC over carriage of the basic cable services. We are committed to continuing to negotiate and hope to reach an MTVN agreement in the near future.

We ask for your support in ensuring the adoption of an amendment deleting the volume discount language in S. 652 as previously agreed. Thank you for your assistance in this matter.

Now, it is incumbent on me, Mr. President, and my dear colleagues of the Senate, I can tell you here and now ''as previously agreed,'' by Mark M. Weinstein—he signs the letter—I can tell you I do not know the gentleman. I have never seen and have never spoken with him. And I have checked with my staff, and we have not had this letter or anything else, have we?

It could be that this has been faxed. We are searching the records now because we have been in the Chamber for a week.

Mr. PRESSLER. If my good friend will yield for a minute.

Mr. HOLLINGS. Yes.

Mr. PRESSLER. As my friend knows, when I discovered that same language in the Time Warner letter, I requested immediately a correction. I wrote a two-page letter, and they sent me not only a correction but an apology. I think I can obtain the same thing from these folks very quickly, because that is not true.

Mr. HOLLINGS. I understand so. The distinguished chairman is absolutely correct. And I think his letters have been made a part of the RECORD showing that he had nothing to do with it. The inference is not by the Senator from South Carolina that the Senator from South Dakota was in any way engaged in this kind of shenanigan. I can tell you here and now the Senate is going to operate not only with the correction but with the appearance of correct conduct here.

I just did not want this to pass. I would have hoped that this amendment would have not been pursued on the basis of its merits, and I hope it will be defeated on the basis of the process so that everyone knows you cannot deal this way and get your amendments passed. I just think this reflects on the Senate. I agree with the Senator from Nebraska. And since my name is on the Weinstein letter and the first I have seen it is here this morning, I wanted to make that record absolutely clear. I hope we kill the amendment.

Mr. EXON. Will the Senator yield for a question?

Mr. HOLLINGS. I will be glad to yield for a question.

Mr. EXON. I would like to ask the managers of the bill, both my friend from South Carolina and my friend from South Dakota, about exactly what we are doing here.

As I understood the Senator from South Dakota, the chairman of the committee, he said that if we accept the Dole amendment, it will fix or cure the problem that we have with regard to availability for small cable operators to get certain types of program from the likes of those good folks, Time Warner and Viacom. Is that right?

Mr. HOLLINGS. No. If you are asking this Senator a question, I can tell you my judgment. If this change on the amendment is adopted, then the rates are bound to go up. The bill provides very properly that small and rural cable television operators get the volume discount.

Now, what they want to say is, no, that is going to be stricken, and they are not going to get these volume discounts. Obviously, the price is going up on these small entities, and that is going to destroy the universal service theme of our particular S. 652.

Mr. EXON. I would like to ask a reply to my question from the Senator from South Dakota.

Did I understand the Senator from South Dakota to correctly say that if we pass the Dole amendment, it is the understanding of the Senator from South Dakota that we would fix or repair the essential problem that the Senator from South Dakota has recognized is an important player in including some protection for small cable operators in the measure that has passed out of his committee? Is the Senator saying he thinks that is repaired or fixed with the Dole amendment?

Mr. PRESSLER. Let me say that I think we should recognize that private agreements and private negotiations are underway, have been underway, and that is something that goes on in our country.

Let me say that I shall seek corrections on these other letters, just as I have received a strong correction from the first one.

Let me say that if these private negotiations break down or do not work—we are now in a situation where Black Entertainment Network, the small companies, and so forth, are endorsing these private negotiations. And certainly I prefer private negotiations to Government activity, and that has been something that has been a cornerstone. But I have long been a champion of program access for smaller cable owners, for REA's, and I will continue to be so.

Also, it is my general observation—by the way, I did not make any requests here of anybody, and we are sort of arguing on two levels here because I agree with the Senator from Nebraska that the letter sent me was incorrect. I requested that it be corrected, and it was instantly.

Mr. EXON. What I am trying to get at, though, Mr. President, it obviously is the Senator's feeling——

Mr. PRESSLER. If I may conclude, if my friend will yield.

Mr. EXON. I am sorry.

Mr. PRESSLER. Basically, I would prefer that these problems be settled in private negotiations as opposed to being legislated by this Senate all the time. But if they cannot be solved, we have the conference coming up. There are additional opportunities. I think at the moment the materials read by Senator DOLE and myself here indicate very clearly that there are various small companies ranging from the National Cable Television Cooperative onward that are supporting Senator DOLE's efforts.

That is where we stand presently.

Mr. EXON. Could I rephrase my question? I took it from the statements that the Senator from South Dakota just made that he is recommending we accept the Dole amendment because he believes, with the private negotiations that are going on, the Dole amendment would satisfy or solve the situation as of now, and that is why he has supported the Dole amendment. Is that a fair interpretation of what the Senator from South Dakota is saying?

Mr. PRESSLER. No, the Senator from South Dakota has his own reasons for supporting the Dole amendment. I am supporting the Dole amendment because we have private agreements that are working these problems out, because the small cable companies and many other entities such as Black Entertainment Network, have supported that concept, that is, as of this time.

If problems arise, if the private parties cannot work it out, then the Government should get involved. This is my opinion.

I ask my friend from Nebraska, is he opposed to these things being worked out privately?

Mr. EXON. No, I am not opposed to something being worked out privately at all, except that I am opposed to the concept that nothing privately is worked out until the last minute when changes are made, which leads me to my next question.

It seems to me that what we are seeing is that Viacom and Time Warner, and all those other public-minded folks, are now at the last minute offering to have private negotiations with some of the smaller cable operators that they were not willing to do previously.

Let me phrase the question this way: Why would it not be wise to leave the amendment as it came out of committee in place and not adopt the Dole amendment? Am I to understand that unless we adopt the Dole amendment under the pressure and under the unsavory acts that I think have taken place in the last few days, that unless we can accept the Dole amendment that negotiations will break down?

Mr. PRESSLER. I think the Senator from Nebraska is tying things together here more than I would, in the sense that if one group of lobbyists behaves in a certain way, that does not mean that the underlying substance is changed.

It is my strong feeling, and I have been on this same subject for years, that program access is a very important thing. Sometimes it is negotiated privately. For example, we have ESPN involved privately, without a law. I always prefer to do something in the free enterprise system privately than with a Government law, with a Government regulation. That is what we are talking about.

I do not know what more to say to the Senator from Nebraska, except that I feel that the Dole amendment is a very positive thing.

Mr. EXON. Just let me add, I could not disagree more with my friend and colleague from South Dakota. I happen to feel that we have a gun to our heads and probably a gun to the heads of the small cable operators, where all those good folks I mentioned before, Viacom and those other public-minded nonprofit operations, have a gun to the heads of the small cable operators and, as part of that, they are taking the United States hostage.

It seems to me——

Mr. PRESSLER. If the——

Mr. EXON. I have the floor. It seems to me it would be much better to leave the measure as it is in hand and let them continue their negotiations. I point out again that I think anyone who understands the process knows we would not have had the Dole amendment had we not had action taken by the Senator from South Dakota, myself and others that forced their hand. It seems to me that we have forced their hand to try and give the small cable operators a decent chance. Now they are coming to us saying, ''We will give them the decent chance, maybe, if you don't pass the law.'' I think that is

putting the cart before the horse, but I have nothing further to say on the matter at this time.

Mr. PRESSLER addressed the Chair.

The PRESIDING OFFICER (Mr. GRAMS). The Senator from South Dakota.

Mr. PRESSLER. Mr. President, I have the highest regard for my friend from Nebraska, and I have said so on this floor many times. He is a giant in this Senate and on our committee.

I was watching Harry Truman's life story on TV the other night on ''Biography.'' He was trying to settle the rail strike, I believe. He was speaking to Congress with proposed legislation when one of his Secretaries handed him a note, and he said that the parties have privately begun to negotiate and are going to arrive at a private settlement and he withdrew his legislation, or he lessened his legislation.

Many criticized him. They said, ''Well, Harry Truman is a little too flexible, he is not standing as he said he would.''

I like to read about Harry Truman. I found this a very interesting episode. And I am certainly not comparing myself to Harry Truman. I think he was a man of enormous stature.

Analogously in the same case, private agreements are coming into place, and if we get letters from the various groups, small cable and Black Entertainment Television, and so forth, why would we have Government regulation at that point, just for the sake of having it? A lot of times parties negotiate, realizing that down the road if they do not, there is going to be a problem. Certainly, there is that interaction.

So, in conclusion, I say I have great regard for my friend from Nebraska, but I think we are talking about two separate things here. I strongly support the Dole amendment.

Mr. KERREY addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERREY. Mr. President, I come to the floor this afternoon to speak and vote against the Telecommunications Competition and Deregulation Act of 1995. I am deeply disappointed that I am not able to speak and vote in favor of it. For the past 10 years, I have been arguing for a radical overhaul of our telecommunications laws. They have not been changed significantly in the past 60 years, a time of unprecedented, breathtaking and, for many of us, I must confess, nearly incomprehensible change in the technologies of communication.

The short description of what has happened in the past six decades since the 1934 Communications Act was passed is this: The need to continue monopoly franchises and the line of business restrictions has evaporated. The heat which turned the water of our law into steam is technology. Our laws have been overrun by changes in technology. Failure to acknowledge this and to liberate the businesses to compete has been detrimental to the consumer. Thus, the time for rewriting the people's law is long overdue.

However, Mr. President, technology does not have a vote, people do, and the American people have a love-hate relationship with technology. They love it when it entertains or amuses, but they hate it when amusement turns violent, pornographic or threatening.

They love it when they have the skills needed to survive the downsizing chain saw but hate it when a lifetime of dedication to doing a job well ends with a pink slip.

Not only do the American people have mixed feelings about technology, but the attitude of the people and the attitude of corporations toward technology is decidedly different.

Successful communication corporations must follow technology wherever it takes them. Successful communication corporations treat technology as if its status were somewhere between King and God. As people, we have learned the hard way that to worship technology is to select a graven image with a double-edge potential of doing grave harm and great good.

All of this is said, Mr. President, to put a brake on the wild and woolly expressions of enthusiasm for the glory of these new technologies. No doubt they can serve us well, no doubt they can expand our reach and improve our capacity to produce, to learn and to govern ourselves. However, there is also no doubt they can lead us astray if we do not think carefully about where we want to go.

We, the people, in our minds and our hearts, must drive these new technological wonders, or, most assuredly, they will drive us.

Regrettably, the rewriting of our law we have witnessed has created the perception that this was not paramount in our deliberation. Indeed, the amendment before us now reinforces that perception. The perception is that the law was not done for or by the people of the United States of America. The perception has been created that it was done by and for the telecommunications corporations of America. Rather than being a Contract With America, this legislation looks like a contract with corporations.

This is one reason Americans feel they have no power over their Government. Indeed, despite the scope of its impact on their lives, Americans neither asked for this bill, nor do many of them even know we engaged in this debate.

To be clear, I have nothing against corporations, or the people who temporarily run them. Indeed, most Americans work for a corporation. However, corporations—particularly public corporations—are not people. Incorporation is a charter granted by the people's laws to an organization, usually for the purpose of ensuring perpetual life and providing many of the beneficial powers of an individual, like entering into contracts, buying and selling property, while shielding the organizations from many of the detrimental liabilities of being an individual, such as conscience and public responsibility.

Public corporations provide first for shareowners and investors. If the analysts say that a CEO did the right thing by laying off 10,000 employees with no severance pay, health care, or retirement, then a CEO would be judged incompetent not to make this move. If plant closings and downsizing are judged to be sound business decisions, the market will bid up the value of the stock and the salary of the responsible CEO. If selling products that turn America into a society of efficient players of electronic games and selectors of video programs is good for business, then a corporate board would fire any CEO whose conscience interfered with the need to produce revenue.

This is not to say the managers of the leading telecommunications companies—who must be given credit for crafting and enacting this legislation—are heartless. They are not. This is not to say they are not concerned about the future of America or the quality of life in our country. They are. Nor does it mean that America does not benefit when tough-minded business executives make tough-minded business decisions. We do.

However, it is to say that we should take care when corporations appeal for changes in the law on eleemosynary grounds. When they tell us the new law is going to be good for America and American consumers, we should take care to remember who it is that butters their bread: their share owners. And we should take care and remember who butters ours: American consumers, citizens, and voters.

Over and over in this debate, we heard the phrase, ''We have struck a delicate balance between the various corporate interests,'' used in defense of a specific provision. Over and over when changes were proposed which would have given consumers and citizens some protection, this ''balancing of corporate concern'' was raised as a barrier.

Regrettably, this has resulted in a law which will not guarantee that American households will have robust, competitive choices which would have ensured lower prices and higher quality. Regrettably, this law gives the power to those monopolies who already have the power to control the market and who will give consumers two choices: Take it or leave it.

The regret I feel is a child of lost opportunity. We have lost an opportunity to seize a three-part promise. The promise I see with the technologies of communication is to create jobs, improve the performance of America's students, and strengthen democracy by helping our citizens become better informed. And while this legislation will undoubtedly produce some gains in all three areas, narrow corporate concerns prevented us from doing all that was possible.

The regret I feel, as well, is also a consequence of believing that telecommunications is much more than just another business. Telecommunications defined is to communicate across a geographical space, across distances. Communication defined is one human being telling a story or delivering information to another. To communicate is to define what it means to be a human being.

We are not just deregulating another business with this law. We are deregulating businesses which have been granted the right to control what we read, hear, and see. They decide what is news and what stories are worth telling. When it comes to defining who we are as people, it is not an exaggeration to suggest that these businesses are as powerful an influence as parents or religious leaders or teachers.

What are the flaws of this bill which cause me to withhold an affirmative vote? The most important occurred before we started writing the legislation. The most important flaw was our attitude. We worried too much about liberating businesses and not enough about liberating people.

As a consequence, we made a crucial error when we wrote the law. The most important flaw is that we did not give the Antitrust Division of the U.S. Department of Justice a determinative role in ensuring that robust competition occurs at the local level before allowing the monopoly to enter other lines of businesses. Competitive choice means that households have the power to tell a company they do not like the price or quality of the service. Consumers must be able to buy from someone else before they have real power over the seller.

Substituting a checklist for the Antitrust Division of the Department of Justice is not an equal trade. A corporation could easily satisfy the checklist without giving the consumer competitive choice. And without competitive choice, this law will concentrate power away from the consumer.

Last year, under the leadership of Senator HOLLINGS of South Carolina, the Senate Commerce Committee reported a bill I could have supported. All but two members of the committee voted for a bill which gave the Department of Justice this determinative role. Unfortunately, in the distance and time traveled from November 8, 1994, to June 15, 1995, the law was changed, and I can no longer support it.

Why is it so important, Mr. President, to American consumers to have the Department of Justice with a determinative role? The answer can be found by following one of the most frequently used arguments in support of this bill: Consumers benefited when AT&T was forced to compete in 1982. Well, guess who was responsible for forcing them to compete? Was it the Congress? Was it the Federal Communications Commission?

Listening to the arguments against the Department of Justice role, or looking at the law itself, you might assume that the answer would be that Congress or the FCC made them compete. If you did, Mr. President, you would be wrong. It was the Antitrust Division of the Department of Justice that sued AT&T. It was the Antitrust Division of the Department of Justice that forced AT&T to compete. It was the Antitrust Division of the Department of Justice that should be given credit by consumers for the lower prices and higher quality service in long distance.

Neither Congress nor the Federal Communications Commission had the guts or the power to take on AT&T. So I guess it should not be surprising that under the banner of competition and deregulation, we pass a law that perpetuates the power of the monopolies.

Mr. President, this legislation is not without merit. It will help America's schools and America's school children take advantage of the technologies information age by ensuring affordable infrastructure, connectivity, and rates. It does preserve the goal of universal service for all of America's communities. It does encourage some competition by smaller carriers at the local level through joint marketing, a strong section favoring network interoperability and good interconnection and unbundling requirements in section 251.

It contains strengthened provisions for rural customers: Comparable services at comparable rates; geographic toll rate averaging; evolving national definition of universal service; support for essential telecommunications providers; waivers and modifications of interconnection requirements for rural telephone companies, and infrastructure sharing.

We fought for and succeeded in including in the law some protections for consumers including the prohibition of cable/telco joint ventures and buyouts except in rural markets of 50,000 or less, allowing State regulators to consider profits of telephone companies when using rate regulation methods other than rate of return, ensuring that price flexibility should not be used to allow revenues from noncompetitive services to subsidize competitive services, and protecting ratepayers from paying civil penalties, damages, or interest for violations by local exchange carriers.

With all of these good things, Mr. President, I regret the absence of a Department of Justice determinative role all the more. With the Department of Justice ensuring competition, consumers would not have to doubt that they would have a courageous, procompetitive Federal force on their side. Without it, we must trust that the corporations will do the right thing.

Mr. President, this legislation burdens trust too much. Ultimately this bill is about power. The bottom line is that in this case, corporations have it and consumers do not. Accordingly, I must vote ''no''.

Some things have been said in the heat of debate about the Department of Justice and the Antitrust Division that just are not true, and I would like to take this opportunity to correct the record.

For example, it has been said that the Antitrust Division has 800 or 900 attorneys. It has been said that it has several hundred lawyers acting as regulators. The fact is that the Antitrust Division had 323 attorneys total—to carry out all of its responsibilities—at the end of fiscal year 1994. This number is about 30 percent lower than the number of attorneys the Antitrust Division had in 1980 and is about equal to the number that it had more than 20 years ago during the Nixon administration, when the economy was much smaller, less global and less complex and when antitrust enforcement was less challenging.

When we talk about growth of bureaucracy, we certainly cannot reasonably mean the Antitrust Division. The Antitrust Division has for years been doing what we now ask of all Government agencies—carrying out vital missions more effectively, more efficiently and with fewer resources. With its relatively limited number of attorneys, the Antitrust Division has pursued vigorously criminal enforcement of the antitrust laws, a strong merger review program, civil antitrust enforcement and all of its other responsibilities.

It has been said that DOJ has failed to comply with a court order to review MFJ waiver requests within 30 days. The fact is that Judge Greene in 1984 issued instructions regarding how DOJ should handle specified waivers then pending and established a schedule under which DOJ had 30 days to handle those specific waivers. Those waivers, incidentally, were far less complex and sensitive than the waivers pending today. DOJ complied with that order and has fully complied with all schedules set by Judge Greene.

It has been said that DOJ has refused to conduct triennial reviews. In 1989, while the appeal of the first triennial review was still pending—it would not be finally resolved until 1992—Judge Greene gave DOJ complete discretion whether and when to file any subsequent triennial reviews.

He noted that the need for triennial reviews was not as great as had been anticipated when originally conceived. As it turned out, Judge Greene observed, there had been ''a process of almost continuous review generated by an incessant stream of regional company motions and requests dealing with all aspects of the line of business restrictions.'' United States versus Western Electric Co., slip op. at 1, July 17, 1989, [emphasis added]. Judge Greene pointed out that he had ''repeatedly considered broad issues regarding information services, manufacturing, and even long distance.'' Id. He explained that ''as soon as there is a change, real or imaginary, in the in-

dustry or the markets, motions are filed and all aspects of the issue are reviewed in dozens of briefs.'' Id. at n.2. Further triennial reviews thus would have been duplicative of work that was already being done.

Judge Greene's observations are still valid. Over the life of the MFJ, incredible as it sounds, the Bell companies have filed an average of one waiver request every 2 weeks. They have buried the Department of Justice in an avalanche of paper—something never expected when the MFJ was entered. Now, some say they are ''shocked, shocked'' that the Bells do not expeditiously receive the approval they claim their requests merit.

And in fact, what amounts to a triennial review is underway right now, as DOJ investigates a motion pursued by three Bell companies to vacate the entire decree without any of the safeguards in S. 652, even in States where local competition is still illegal. This investigation will be completed in the next few months, with a report that will provide a comprehensive review of the need for continuing the line of business restrictions.

It has been said that the Bell companies' so-called generic request—that is, a consolidated request joined by all the Bell companies—for a wireless waiver is still awaiting action. In fact, Judge Greene has approved that request.

A colleague referred to that wireless waiver as simple. It was not. The initial request was very broad. It attracted a tremendous amount of comment and concern at the outset and each time it changed substantially. And change it did—it went from a very broad waiver to one carefully tailored and conditioned to protect competition. The long distance companies and the Bell companies disagreed with DOJ's ultimate recommendation to Judge Greene. That is not unusual. But Judge Greene adopted most of the provisions that DOJ recommended. DOJ exercises its responsibility by doing what is best for competition, not what one industry or another prefers.

It has been said that DOJ has not acted on a request for a waiver that would allow the Bell companies to offer long distance service in connection with information services. In fact, DOJ has recommended to Judge Greene that he approve the request, as modified after extensive negotiations between DOJ and the Bell companies.

The case of the information services waiver illustrates how any purported delay in resolving waiver requests relates to the overbreadth of the original Bell companies' requests. Much of the time between the filing of the initial waiver and DOJ's recommendation in favor of a heavily modified waiver occurred after DOJ rendered a decision based on the original waiver and informed the Bell companies that it would not support the waiver.

The details of the information services case are worth recounting at some length, because they belie some of the charges that have been leveled over the past several days.

In 1987, DOJ asked Judge Greene to eliminate the restriction on the Bell companies' provision of information services. DOJ did so over intense opposition from the information services industry, because of DOJ's conclusion that eliminating the restriction would promote competition in the information services market. But DOJ's focus was on competition and consumers. DOJ was not trying to protect vested industry interests or some role as a regulator. DOJ's position was initially rejected by Judge Greene, but after a reversal and remand by the Court of Appeals, the information services restriction was removed in 1992.

While seeking to lift the information services restriction, DOJ did not support authorizing the Bell companies to bundle interexchange service with their information services. The reason for this is that there is no clear distinction between information services and conventional telephone services. The FCC has been struggling for nearly two decades to define and enforce such a distinction in its Computer I, Computer II, and Computer III proceedings, which have tried to distinguish between basic services—including interexchange voice services—which are regulated, and enhanced services—or information services—which are unregulated. This has been one of the most prolonged and difficult proceedings in the history of the FCC.

Because there is no clear distinction between information services and basic services, a decision to allow the Bell companies to bundle interexchange services would substantially eliminate the core MFJ prohibition against their provision of interexchange service. The Bell companies tried to argue in court that the court's decision to lift the information services restriction meant that they could engage in such bundling, without any restrictions or safeguards. This interpretation by the Bell companies would have given them much more freedom than S. 652 proposes to do today. But that argument was firmly rejected by DOJ, Judge Greene and a unanimous panel of the Court of Appeals.

Judge Silberman of the Court of Appeals concluded that the Bell companies ''urge a rather strained interpretation of the language of the decree—The Bell companies' interpretation—it seems rather obvious, would create an enormous loophole in the core restriction of the decree.'' 907 F.2d 160, at 163

Against this background, the Bell companies filed a waiver request in June 1993 that would have allowed them to bundle their information services with interexchange service. In doing so, they again sought to create what Judge Silberman had described as an enormous loophole in the interexchange restriction. In effect, they would have been able to offer interexchange service without the safeguards that are required by S. 652.

The Bell companies' waiver request naturally provoked strong opposition from the interexchange carriers and information services providers. DOJ gave the Bell companies an opportunity to respond to the arguments against their waiver, and the Bell company responses were filed in February 1994. After reviewing the Bell companies' arguments and the many arguments that had been submitted in opposition to the request, the DOJ told the Bell companies that it would not support the waiver request. The Bell companies were free at that time to challenge the DOJ decision in court. But presumably because they recognized that they had little chance of winning in the face of a clear decision by the Court of Appeals, the Bell companies chose to narrow their original waiver request to seek a more reasonable waiver.

The Bell companies submitted a somewhat narrower proposal to DOJ soon thereafter. DOJ again rejected the proposal, because it still did not deal with the loophole that the Court of Appeals had identified.

The Bell companies finally submitted a third proposal that was substantially narrower. This time, DOJ indicated that it would support the proposal. This last proposal has now been briefed and is awaiting decision by Judge Greene.

The reason for the delay in processing this waiver was that the Bell companies submitted—not once but twice—a waiver request that was very broad. Their proposal would have resulted in an enormous loophole in the core restriction of the MFJ. As a practical matter, this loophole would have given them much of the relief that S. 652 would give them, but without any of the safeguards that accompany such relief in S. 652. It does not make sense to criticize the Department of Justice for refusing to give the Bell companies what the authors of S. 652 certainly do not intend to give them in S. 652.

DOJ acted to protect competition and consumers. When DOJ supported the removal of the information services restriction in 1987, it did so over strong opposition from the information services industry. DOJ's support for the recent information services waiver has been strongly opposed by the interexchange carriers and by information services providers. DOJ isn't protecting industry turf; it's doing what's right for competition.

As the information services case demonstrates, the Department always has been willing to take the time to work with the Bell companies to fix waiver requests so that the Bell companies can get as much MFJ relief as is consistent with the consent decree's protection of competition in markets that the Bell companies seek to enter. Of the waivers approved by the Court in 1993–94 that were not mere duplicates of waivers filed by another Bell company, fully 60 percent were the product of negotiations between DOJ and the Bell companies that resulted in

a modification of the original waiver request.

To be sure, these complex, negotiated requests generate a lot of public comment and concern. The number of comments per waiver for waivers filed in 1993–1994 is nearly six times the comments per waiver in 1984–1992. This is not surprising, as the more recent waivers go to the MFJ's core restrictions. This modification and comment process works to obtain workable waiver proposals while still protecting competition, as the information services case illustrates.

The fundamental point is that DOJ acted to protect competition and consumers. DOJ's support for the revised information services waiver has been strongly opposed by long distance and information services providers. But again, DOJ doesn't protect industry turf—it does what is right for competition.

Of course, no discussion of purported delay in the waiver process would be complete without noting the Bell companies' filing of overlapping and duplicative waiver requests. For example, several Bell companies filed a request to vacate the MFJ, seeking to completely eliminate its restrictions without replacing those restrictions with any safeguards or requirements, such as those contained in S. 652. Once again, the Bell companies sought relief that the Congress likely would not approve. The Bell companies argued that this motion was critically important to them, and urged prompt action on it. DOJ agreed that it would make this request its first priority.

But less than a week after submitting the request to vacate the MFJ entirely, one of the companies filed a separate waiver request for so-called out-of-region relief. But that request is completely subsumed in the motion to vacate. And the other Bell companies that had filed the sweeping motion to vacate the MFJ apparently delayed and stalled in producing documents that DOJ required in order to evaluate the merits of the motion.

The AirTouch story that has been repeated during this debate is also not nearly as simple as has been suggested. Loosely casting aspersions on the independence and integrity of the Department of Justice in relation to its position on the AirTouch matter is deeply wrong. DOJ has enforced the terms of the MFJ through Republican and Democratic administrations of vastly different ideologies.

The Department has explained its position on the AirTouch matter in a letter to House Commerce Committee Chairman BLILEY. Regardless of what one thinks of the merits, the bottom line is that the Department has a responsibility under existing law to uphold the terms of the MFJ that differs from that of Congress, which can write new laws. I will include that letter in the RECORD.

It has been said on the Senate floor that DOJ has repudiated the VIII(C) test of the MFJ through the Ameritech plan, which I have supported since Ameritech introduced its Customers First program. The Ameritech Plan is completely consistent with the standard established by Section VIII(C) of the MFJ, because it builds on the idea that one possible basis for satisfying VIII(C) is if the development of local competition removes the ability of the Bell company to use the local monopoly to hurt competition in long distance. I encourage colleagues to read the Department's Ameritech brief, which the distinguished Senator from South Carolina put in the RECORD a few weeks ago.

The plan does not preclude Ameritech or any other Bell company from seeking VIII(C) relief in spite of the continued existence of the local monopoly. In fact, DOJ has supported numerous waiver requests where—in spite of the existence of the local monopoly—safeguards or other constraints ensured that there was no substantial possibility that the Bell company could use the local monopoly to impede competition in the market it sought to enter. Most recently—and after it outlined the approach of the Ameritech plan—DOJ supported the Bell companies' request for a waiver to provide long distance service in connection with information services.

It has been said that DOJ forced the Ameritech plan on Ameritech. In fact, the Ameritech plan originated with Ameritech itself. The plan now enjoys an unprecedented breadth of support among interested parties. It is supported by a Bell company, AT&T, Sprint, other long distance competitors, local competitors like MFS, consumer groups, the FCC, state regulators from all the States in Ameritech's territory, the Republican governor of Illinois and numerous other industry participants. In joint comments filed with the court in support of the plan, which I will include in the RECORD, the regulatory commissions from Illinois, Indiana, Ohio, and Wisconsin praised the proposal as a decisive step toward the goal of a competitive telecommunications market. This remarkable consensus is a lot more than S. 652 has attracted, and I commend Ameritech for taking this historic step.

DOJ has been criticized in this debate because the draft Ameritech order is 40 pages long. Forty pages doesn't seem like too much, when one considers that the order seeks to do something that has never been done before by anticipating the opening of a complex, monopolized market to competition and allowing a Bell company to enter a long distance market measured in the billions of dollars. But this criticism is especially ironic because it comes in a debate over a bill that seeks to do much the same thing as the Ameritech proposal—but that is some 150 pages long and getting longer as we speak. And while this 150-page bill has been the subject of much debate—to say the least—the 40-page Ameritech order enjoys unprecedented support from a broad array of interested parties.

It has been said that the Ameritech plan will shift power from State and Federal regulators to the Department of Justice. In fact, the implementation of the market opening provisions agreed to by Ameritech will be handled by State regulators and industry participants. The DOJ's role is to assess the end result: the marketplace effects of those market opening provisions.

The plan fully preserves the traditional functions of State and Federal regulators, as evidenced by the fact that the plan enjoys the support of all the State regulatory commissions in Ameritech's region and of the FCC. Moreover, the plan has the sort of safeguards and standby authority for DOJ that are well suited to an untried and groundbreaking initiative.

I have here, Mr. President, a letter to Assistant Attorney General Bingaman from Craig Glazer, the chairman of the Ohio Public Utilities Commission. Writing on behalf of all the State regulatory commissions in the Ameritech region, he praises the Department of Justice for its efforts in negotiating the Ameritech plan. Mr. Glazer writes, in part, that ''the willingness of the Department of Justice to work with and specifically accommodate a number of State concerns represented an exemplary level of cooperation and teamwork between the Department and the State commissions.'' I will include the entire letter in the RECORD.

The point that comes through loud and clear from this letter and from the briefs that State officials have filed with Judge Greene in support of the Ameritech plan is that DOJ is not trying to displace regulators or become a regulator itself. Governor Edgar of Illinois, for example, lauded ''the Proposed Order's reliance on State regulators to complement the Department's supervisory role of the proposed trial.'' I will conclude Governor Edgar's comments in the RECORD. DOJ has proposed a well-crafted plan that maintains the traditional roles of all involved agencies. The State regulators and the FCC regulate; the Department of Justice assesses competition.

Mr. President, this bill deals with complicated issues, and there is a lot of room for reasonable people to disagree. But a lot of the things said about the Department of Justice were just plain wrong. I appreciate this opportunity to correct the record.

Mr. President, I ask unanimous consent to have the letters and other material printed in the RECORD.

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

DEPARTMENT OF JUSTICE,
ANTITRUST DIVISION,
Washington, DC, January 31, 1995.

Re AirTouch Communications, Inc.

Hon. THOMAS J. BLILEY,
Chairman, Committee on Commerce, House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN BLILEY: Thank you for your letter of January 27, 1995 concerning the status of AirTouch Communications, Inc. (''AirTouch'') under the Modification of Final Judgment (''MFJ'') in United States v. Western Electric, Co., Inc. I appreciate your interest in this matter, and I understand that this issue has significant implications for AirTouch and perhaps other cellular telephone companies.

As I will explain, the Department's recent action concerning AirTouch's status under the MFJ does not reflect a decision about the important competition policy issues to which your letter refers. We fully agree with you on the importance of those policy questions, and look forward to working with you to resolve them. As you know, I testified before a subcommiteee of the Committee on Commerce last year in favor of comprehensive telecommunications legislation based on competitive principles.

The only competition policy issue with respect to this AirTouch matter is whether we are willing to work with AirTouch on an appropriate waiver of the applicable MFJ provision—and you should know that we offered to do so before announcing our decision on the complaint that prompted our review of this matter. AirTouch did not accept that invitation.

I provide additional background below in response to your letter, including the respective roles of the Department and court under the MFJ on questions such as the AirTouch issue; the benefits to competition and consumers from the MFJ: the Department's reasoning and position on the AirTouch matter; and the Department's cooperation with AirTouch to facilitate court action now.

THE DEPARTMENT'S ROLE UNDER THE MFJ

First, let me put our role under the MFJ in context. As you know, the MFJ is a court decree which resolved a hard-fought litigation. Relief from the MFJ can only be given by a court, not by the Department of Justice. While we make our position known to the court, it is the court and not the Department which determines disputes about the coverage of the MFJ.

The court also has the power to give relief from provisions of the MFJ which become unnecessary. As you are aware, the Department is supporting an MFJ waiver which would allow cellular service providers affiliated with RBOCs to provide long-distance services, subject to certain safeguards, and this waiver is pending before the Court. The cellular market will be moving from the duopoly model toward more vigorous competition, a trend that will accelerate with completion of the spectrum auction and deployment of PCS. We also hope that landline local exchange competition will become lawful and real. If such developments occur, more relief will certainly be appropriate.

THE BENEFITS OF THE MFJ

In discussing how the MFJ is applied, it is useful to bear in mind what I know you understand—the pivotal role of the MFJ in unleashing the competition that has put our country at the forefront of the telecommunications revolution. I am also particularly pleased that the case against the telephone monopoly and supervision of the MFJ has been a priority at Democratic and Republican Departments of Justice alike, and that my antitrust professor, Bill Baxter, who served as Assistant Attorney General for Antitrust during the Reagan Administration, successfully negotiated the historic MFJ.

Since the MFJ, multiple fiber optic networks have been constructed by long distance competitors, consumers have reaped steeply lower long distance prices while dramatically increasing their minutes of usage, and according to a January 21, 1995 front page story in the New York Times headlined ''No-Holds Barred Battle For Long-Distance Calls,'' at least 25 million residential telephone customers exercised a choice in 1994 by switching long distance carriers. The telecommunication equipment and services market have simply exploded.

Moreover, it is this growing competition, which can be accelerated through legislation which opens local markets to real competition while continuing to protect consumers and competition from monopolists, that will provide opportunities for deregulation.

THE DEPARTMENT'S AIRTOUCH POSITION

Our position in the AirTouch matter does not reflect an antitrust or policy judgment about the cellular industry. Instead, it reflects our interpretation of a narrow, but extremely important, question concerning the continuing applicability of antitrust decrees after the sale or reorganization of corporate antitrust defendants. Section III of the MFJ includes a provision, contained in *virtually all* of the government's antitrust decrees, making its limitations applicable to ''successors'' to the corporate entities originally bound by the decree. Such provisions are included to ensure that a decree's requirements cannot be avoided simply through a reorganization or transfer of ownership of the businesses that are subject to the decree. Without such limitations, of course, it would be relatively easy for an antitrust defendant to avoid its legal obligation to comply with a decree through a transfer of significant assets, restructuring or reorganization, thereby rendering the decree ineffective.

The position the Department has taken in response to the complaint submitted to it concerning AirTouch was made in the context of this history. AirTouch was spun off from one of the seven regional holding companies. It continues to operate, among other things, the cellular telephone business previously owned by that regional holding company and is subject to a common consent decree provision applying the decree to ''successors.''

In your letter, you refer to the purpose of the ''spin off'' from Pacific Telesis as to avoid MFJ objections. In this regard I want to advise you that neither AirTouch nor Pacific Telesis chose to submit any request for written guidance on this question to the Court or to the Department at the time of the transaction. Moreover, AirTouch's disclosure documents reflect that they understood and told the public that there was a risk that a determination such as we just made might ensue. (See Attachment)

After careful consideration of the history of the MFJ and the decisions interpreting its provisions, and after detailed consideration of AirTouch's arguments about the meaning of the relevant MFJ provisions, the Department concluded that AirTouch is a ''successor'' within the meaning of Section III of the MFJ.

OUR COOPERATION WITH AIRTOUCH

We have worked with AirTouch to assure that it will be able to continue its current business activities while seeking a ruling by the District Court on the question of whether it should be considered a ''successor'' under the MFJ. This is a legal question AirTouch can bring to the court. In the meanwhile, in light of the assurances AirTouch has given us that they will not undertake any new activities that could be viewed as violating the MFJ, we informed AirTouch that we have no intention of seeking enforcement action against them pending a decision by court as to their status under the MFJ.

Also, as you know, the MFJ contains provisions that allow parties to seek waivers or modifications if their activities, although technically covered by the decree, do not pose competitive problems. We have stated clearly to AirTouch that our position on the complaint before us rests solely on the meaning of the ''successor'' provision of the MFJ, and that they should *not* construe our position as reflecting a decision to oppose a waiver of MFJ restrictions which might be sought pursuant to section VIII (C) of the MFJ. Rather, we informed AirTouch that we would work with them to seek an appropriate waiver. Although AirTouch has not sought a waiver at this time, the opportunity to do so will continue to be available to them.

I know that you and the Committee understand and appreciate the importance and flexible nature of section VIII (C) where market conditions are changing. That is no doubt one of the reasons that the telecommunications legislation reported last Congress by the Committee on Commerce, which passed the House of Representatives with more than 420 votes, provided that the Department of Justice should apply this test to determine when, among other things, the RBOCs should be permitted to enter the long distance market.

I hope that this information is helpful to you in analyzing the Department's position in the AirTouch matter. With respect to the ATT matter that you briefly touch upon, this was addressed primarily under the Clayton Act and not under the MFJ, and requires separate discussion.

I would be very happy to discuss these or other telecommunications matters with you at our scheduled meeting or at your convenience.

Sincerely,

ANNE K. BINGAMAN.

[From the Wall Street Journal]

PACIFIC TELESIS IGNORED U.S. ON AIRTOUCH

(By Leslie Cauley)

NEW YORK.—Pacific Telesis Group ignored statements by the Justice Department in 1993 suggesting that its cellular spinoff could run afoul of the court decree governing the Baby Bells, a senior department official said.

Now the spinoff, AirTouch Communications, is scrambling to win a federal judge's approval lest it be forced to scale back drastically its ambitious plans for future expansion.

Rules governing the Bell System breakup prohibit the seven Baby Bells and their service spinoffs from offering long-distance communication services or making phone gear.

But Pacific Telesis, based in San Francisco, brushed aside these restrictions when it spun off the unit almost two years ago, said Robert Litan, deputy assistant attorney general for the Justice Department's antitrust division.

''We indicated to them at that time that it was an open question,'' Mr. Litan said, particularly since the unit had retained network facilities it had used as a Bell entity.

Air-Touch recently began transmitting long-distance calls on its cellular network, and it is developing phone equipment. On Jan. 11, the Justice Department formally notified AirTouch that it must abide by the terms of the decree just like its former parent.

Officials at Pacific Telesis and Air-Touch expressed surprise at the department's

stance, noting that Justice Department officials had known for at least two years of AirTouch's intention to enter markets banned to the Bells.

''We could not have been more clear about what we were talking about,'' said Richard Odgers, Pacific Telesis' general counsel. Moreover, he added, three law firms hired by the company came to the same conclusion that the decree didn't apply to AirTouch.

Justice Department officials counter that its antitrust division, as a prosecuting arm of the government, doesn't offer casual assessments. Pacific Telesis ''could have made a request for a formal (legal) opinion'' when the spinoff was being contemplated in 1993, Mr. Litan said. ''But they never did that. They went ahead and took their chances.''

AirTouch's public documents issued at the time it went public indicate that it knew it might be jumping the gun if it pursued business barred by the decree. The company's November 1993 prospectus, released in anticipation of its initial public offering last spring, noted that there was no assurance ''that DOJ or a third party might not object at some time in the future or that the courts might not agree'' with AirTouch's opinion that it wasn't subject to the decree restrictions.

The prospectus added that AirTouch had advised the Justice Department of ''its belief that the [decree] would not apply to the company after the spinoff. . . . [and] DOJ has not stated any intention to object [Pacific] Telesis' position.''

Margaret Gill, an AirTouch senior vice president, maintained last week that ''that statement was made because we had carefully noted conversations with appropriate senior officials at the department.''

Department opinions aren't binding with the courts, and even when it finds nothing objectionable, the agency can take action later. But it is virtually unheard of for the Justice Department to prosecute a company for engaging in activities that have been subject to a formal review, a process that can take several months or more to complete.

AirTouch has big plans. Besides operating one of the nation's largest cellular phone networks, the company already has begun offering highly profitable long-distance services in its territories. AirTouch is also building systems in international markets that will be tied through a sophisticated satellite network.

The company has proposed merging with the cellular unit of former sibling US West Inc. Together, AirTouch and US West are bidding with two other Baby Bells—Bell Atlantic Corp. and Nynex Corp.—for new wireless ''personal communications services'' licenses, with plans to build a nationwide PCS network offering anywhere-anytime wireless calling.

Efforts by AirTouch to boost growth and profits by also providing the long-distance links to its subscribers could be cut off if the company doesn't win a favorable ruling from the courts. A $7.5 million investment by the company in a satellite venture also seems in jeopardy.

AirTouch didn't reveal the department's concerns until last week, when it asked federal Judge Harold Greene for an immediate ruling saying AirTouch isn't subject to the decree. In the meantime, AirTouch has agreed to stop further expansion into prohibited businesses and the department has agreed not to take action against the company until a decision is rendered.

AirTouch's predicament underscores the gravity with which the U.S. government still views the restrictions on the regional Bell monopolies. the crackdown on the fledgling Bell spinoff could presage similar moves against the other Bell affiliates that were cut loose but are still considered local service bottlenecks.

Many telecommunications attorneys believe AirTouch won't get a favorable ruling from Judge Greene, who has historically taken a hard line in interpreting the decree. But they think it will prevail in the courts.

But that could take years, according to some attorneys. However, AirTouch could ask for a waiver from the courts that could ask for a waiver from the courts that would allow it to continue its operations unchanged.

Even with its current predicament, AirTouch still has a healthy core business providing cellular services in its territory. The company's fledgling long-distance business is a miniscule part of total operations, and it has a stock market value of about $14 billion. The company, which has had growth rates of greater than 30%, is expected to release fourth-quarter earnings on Wednesday.

THE PUBLIC UTILITIES
COMMISSION OF OHIO,
April 25, 1995.

MS. ANNE BINGAMAN,
Assistant Attorney General, U.S. Department of Justice, Antitrust Division, Washington, DC.

DEAR MS. BINGAMAN: I am writing to you in my capacity as Chairman of the Ameritech Regional Regulatory Committee (ARRC). ARRC is an ad hoc group of the five state regulatory commissions in the Ameritech region: Illinois, Indiana, Michigan, Ohio, and Wisconsin. The ARRC mission is to facilitate the exchange of information among the public utility commissions of the five states regarding telecommunications issues in general and telephone companies operating within the five respective jurisdictions in particular. The ARRC is made up of representatives of the commissions and/or staffs of the Illinois Commerce Commission, Indiana Utility Regulatory Commission, the Michigan Public Service Commission, the Ohio Public Utilities Commission and the Public Service Commission of Wisconsin.

On behalf of the ARRC, I want to thank you and members of the Department Staff for devoting many hours to meeting with the ARRC to seek input from and accommodate concerns raised by the respective state regulatory commissions and/or their staffs concerning the proposed request to Judge Greene to authorize an interLATA experiment in parts of Michigan and Illinois. Specifically, Mr. Willard Tom and Robert Litan of your Staff traveled to the region and met with the ARRC staff on a number of occasions concerning the proposed experiment. Moreover, the ARRC staff representatives received and were allowed to have input on the various drafts leading up to the proposed modification of the Decree filed with the Court on April 3, 1995. Although there may still be issues which individual state commissions and the ARRC may be raising in comments before Judge Greene, I can say on behalf of all of the ARRC states that the willingness of the Department of Justice to work with and specifically accommodate a number of state concerns represented an exemplary level of cooperation and team work between the Department and the state commissions.

Should the modification to the Decree be adopted by Judge Greene, by its own terms it calls for various regulatory and enforcement activities to be undertaken both by the States and the Department of Justice. I am heartened by the cooperative process that has occurred to date and feel that it bodes well for implementing the proposed trial in a manner which is in the public interest.

Again, on behalf of the ARRC, I express my sincere thanks for the Department's extra efforts to hear and attempt to accommodate state regulatory issues and concerns.

Sincerely,

CRAIG A. GLAZER,
ARRC Chairman.

Mr. KERREY. I yield the floor.

Mr. DOMENICI. Mr. President, I understand I have 3 minutes. I yield myself such time as I may need. I ask for 1 minute as in morning business out of my time.

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

A CELEBRATION OF DAD'S DAY

Mr. DOMENICI. Mr. President, as we approach Father's Day 1995, I want to share with the Senate and the American people a letter I have received from a fellow New Mexican, Chuck Everett. Mr. Everett originally wrote this letter while he was serving in Korea to his father who was back home in the United States.

Mr. Everett's father described the letter as ''a masterpiece of simple truths.'' I could not agree more. In Mr. Everett's cover letter to me, he says to ''delete the word 'Communism' and insert the word 'terrorism' and we have a thought that is as true today as in 1952.'' His prophetic and patriotic words are as valid now as they were when he first wrote them. I trust you will find the text of Mr. Everett's 1952 letter a hopeful and encouraging sample of a young man's commitment to America and its values. These are indeed ''simple truths.'' Times have changed the face of totalitarian and Communist regimes, but new dangers are substituted for the old. As Mr. Everett says, we ''are on a mission, so that next year and the years that follow, free people all over the world can celebrate Dad's Day.'' I respectfully ask unanimous consent that the text of Mr. Everett's letter be printed in the RECORD.

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

OCTOBER 1952

It's a beautiful morning, the kind of a day when a fellow likes to get up early in the morning, gather up his golf clubs and head for an early morning bout with fairways, roughs, greens and caddies.

I'd like to sit down to a nice roast beef dinner, with diced carrots, peas, Brussels sprouts, chopped salad, blue-berry pie and a big glass of milk. In the afternoon I'd like to siesta, then pack a picnic lunch of cold cuts, cheese and lemonade, and head for Stone Park. I left out something. Oh, yes, of course, church. I'd like to go to church after golf, where the services would be devoted to Father's Day.

That's how I'd like to spend the day. But some of us are on a mission, so that next year and the years that follow, free people all over the world can celebrate Dad's Day. We know we will succeed in our mission here, but will those at home remember our efforts and strive to realize our purpose? The battles we fight here cannot, in themselves, assure us that we will have a free world. It takes the combined efforts of educators, industrialists, politicians and religious leaders to assure a free world. The shackles of communism are not bound about the legs of only

those behind the iron curtain. It has shackled the minds of free men everywhere into believing that it is better than free enterprise and democracy.

That is where you people must carry the fight to the enemy. Bullets alone will not stop communism. Let us, on this day dedicated to fathers, dedicate our lives to the support of free will, free speech, freedom from fear, freedom of religion, and freedom of thought.

We cannot fear communism, but we must make communism fear us. And, believe me, the Reds do. At every move of our enemy, we stop them, we repulse them and we humiliate them. It is but a matter of time before they will quit. They can only suffer defeat. Be it not the will of free men to be dictated to, and thus communism cannot succeed.

TELECOMMUNICATIONS COMPETITION AND DEREGULATION ACT

The Senate continued with the consideration of the bill.

Mr. DOMENICI. Mr. President, in 1934, when the last major piece of communication regulation was passed, we had radios and telephones, and often telephones had many parties on the same line.

Now we have telephones, radios, computers, modems, fax machines, cable television, direct broadcasting satellite, cellular phones, and an array of budding new technological improvements to communication.

As a matter of fact, I believe this period in modern history will be marked singly by the advances that humankind is going to make with reference to communications. I think it will add appreciably to the wealth of nations. It will add significantly to the time people have to do other things because it will dramatically produce efficiencies in communication that were unheard of. It will bring people together who are miles apart.

We can dream and envision the kind of things that will happen by just looking at what has happened to cellular phones, to portable phones, and think of how communications is going to advance.

Mr. President, fellow Senators, it is obvious that we have a law on the books and court decisions governing this industry that shackle it and deny the American people, and, yes, the people of the world, the real advantages that will come from telecommunications advances that are part of a marketplace that is competitive, where the great ideas of people can quickly find themselves converted from ideas to research, from research to technologies, and then rapidly into the marketplace to serve various needs of business, of individuals, of schools and on and on.

Some New Mexicans have told me, ''We are happy with the phone service we have now. What are we changing in this legislation, and why must we change it?'' Obviously, we are not going to be changing the phone service other than making the options that our people have, giving them more options, making the communication, be it a telephone, a more modern thing, and people will be able to do much more by way of communicating than before.

People should not fear, but rather look at this as a new dawn of opportunity and a way to communicate and enhance freedom beyond anything we could have comprehended 20 or 30 years ago.

It stands to reason that with all of that happening—and part of it has grown up under regulation and part of it not—it is time to change that old law and do something better, take some chances, if you will, with the marketplace. It will not come out perfect.

I just heard my good friend from Nebraska, Senator KERREY, indicate he was concerned. Obviously, I am less concerned than he. I believe this bill will cause much, much more good than the possibility for harm that might come because we may not totally understand the end product.

It may be difficult to totally understand the end product of this deregulation. Anybody that is that intelligent, knows that much about it, it seems to me, is well beyond what we have around here. Maybe there is not anybody in the country that could figure out where all of this will lead.

It is obvious to this Senator that if we are looking for productivity, if we are looking to enhancing communication, new technology, investment, new jobs, new gross domestic product growth, we must deregulate this industry.

There is great capacity—both human and natural—and there are large amounts of assets tied up in this industry. We have to let them loose to grow, compete and prosper.

I hope on the many issues that we voted on, that we came down on the right side. I do not think one should vote against this bill because one or two of their amendments did not pass.

Fundamentally, this is a giant step in the right direction.

We have outgrown the Communications Act of 1934. It is time to pass the Telecommunications Competition and Deregulation Act of 1995. This legislation will foster the explosion of technology, bring more choices and lower prices to consumers, promote international competitiveness, productivity, and job growth.

This legislation will open up local phone service to competition and when this market is open, allow local phone companies to enter the long distance markets. This will create more competition resulting in lower prices and better services for the consumer.

Some New Mexicans have told me ''we are happy with the phone service we have now. Why do we need legislation to change it?'' What I want to tell my fellow New Mexicans is that this legislation will not disrupt the phone service that they depend upon now.

What the Telecommunications Competition and Deregulation Act of 1995 will do is provide consumers with more choices and lower prices in long distance phone service and television programming. The legislation also preserves the universal service fund which subsidizes telephone service to rural areas.

Right now, consumers have a choice of what company they want to provide long distance phone service. After this legislation takes affect, consumers will be able to choose among companies that will provide them with local and long distance service.

This legislation will also give consumers more choices in how to receive television programming. Currently, if a consumer's area is served by cable, a consumer may choose between the cable company and somewhat expensive satellite or DBS service. This legislation will allow the phone company to offer television over phone lines, so there is a choice between the cable company, the phone company, and DBS.

The Telecommunications Competition and Deregulation Act of 1995 will remove the regulations that have hindered the development and expansion of technology. Regulations, such as the regulated monopolies in local telephone service, required by the Communications Act of 1934, have forced U.S. companies wanting to invest in local phone markets to invest overseas.

In 1934, it made sense to only have one company laying phone lines and providing phone service. But now that many homes have both cable and phone lines, and may have a cellular phone, it makes sense to open up phone service to competition. When this legislation opens local markets to competition, companies like MCI, which have plans to invest in the United States, but have been forced to make investments overseas, will be able to invest, create jobs, and provide better phone service to U.S. consumers.

The President's Council of Economic Advisors estimates that as a result of deregulation, by 2003, 1.4 million service sector jobs will be created.

Over the next 10 years, a total of 3.4 million jobs will be created, economic growth will increase by approximately .5 percent, and, according to George Gilder, the gross domestic product will increase by as much as $2 trillion.

This legislation will increase exports of U.S. designed and manufactured telecommunications products.

Increased investment in telecommunications products and services will bring a better quality of life to rural New Mexico. With fiber optic cable connections, doctors in Shiprock, NM, can consult with specialists at the University of New Mexico Medical Center or any medical center across the country.

The technology to let students in Hidalgo County, NM, in towns like Lordsburg and Animas, share a teacher through a video and fiber optic link. What this legislation would do is remove the regulations that currently prevent investment to get technologies to the local phone market.

Mr. President, I support this legislation because of the benefits to rural education and rural health care, better local and long distance phone services, and new technology and new jobs for Americans. I believe this legislation is a good start to accomplish these objectives.

I wish to commend the managers of this bill and their staffs for their tireless work to craft this legislation. I appreciate Chairman PRESSLER's willingness to listen to the concerns of each member of this body.

Mr. President, we need this legislation to move our citizens and our economy into the next century. I urge my colleagues to support it.

Mr. President, I want to take a minute. I remember when I first had the luxury and privilege of being the chairman of the committee and had to come to the floor to manage a bill. That was a few years ago when we had the luxury, for 6 years, of being in the majority.

I want to say that the majority, the Republicans, should be very proud of the new chairman, Senator LARRY PRESSLER, who has managed this bill. This is his first chairmanship of a major committee. That is rather exciting to him and I am sure to his family.

I want to say for the record that for this Senator, who has watched those who come to the floor for the first time managing a bill, that this Senator deserves our congratulations for the good job he has done.

This was a tough bill. It will stand in his accomplishment list high on the ladder, to have managed this great bill which will bring great, positive change for our country and for millions of people. My congratulations to him here today. I imagine that with this good effort, we can look for many more under his chairmanship.

Obviously, it goes without saying that the distinguished ranking member, who I have been on the floor with on the other side when he was chair, when I was chairman, that he always does a great job managing the bill, from whichever side, majority or minority. I want to congratulate him for getting this bill through. It is great to have something totally bipartisan. It will be very bipartisan.

When we have major problems to be solved for the country, we cannot always do it that way, but it sure is nice, and the public ought to be proud the Democrats and Republicans are working together on this bill.

Mr. PRESSLER. Mr. President, I want to sincerely thank the Senator from New Mexico who chairs our Budget Committee so well. I have watched him so often, and words from him mean a great deal. We thank the Senator very much for his statement.

Mr. GORTON. Mr. President, I heard the remarks of my distinguished colleague from New Mexico, and I can simply echo them from the perspective of membership on the Commerce Committee.

Senator PRESSLER has met this test with flying colors and deserves a tremendous amount of credit. But not the least of the items for which he deserves praise is his ability and willingness to work with the distinguished Senator from South Carolina, Senator HOLLINGS.

I have said this privately to the Senator from South Carolina, it is obviously difficult to be in charge, to be a chairman of the committee, to have strong ideas on a subject as he has had, and then find himself, without any action on his part, in a different position. His willingness to share his wisdom and his ideas—not just with Senator PRESSLER, but with all members on the Commerce Committee—and his willingness to make this such a constructive bipartisan endeavor is a tribute to him and, I think, to the Senate.

This bill, as I said in my opening remarks, is as important a piece of legislation as the Senate has dealt with, which has created no interest in the general public at all outside, of course, of the various entities that are in the business itself. To reach as good a conclusion as we seem to have reached and to have done it in such a bipartisan fashion brings great credit, in my view, on the chairman of the committee, but very, very much credit on my good friend from South Carolina, whose wisdom and guidance and views on this subject are very much impressed in the bill itself and are vitally important to our success.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, let me thank our distinguished colleague from Washington for his overgenerous remarks, although undeserved they are greatly appreciated. I join the Senator from New Mexico and join in the sentiments of both the Senators from New Mexico and Washington, that our distinguished chairman has done an outstanding job here in handling this bill. It has been totally in a cooperative fashion and in a very, very considerate fashion of everyone's amendments.

When you begin to appreciate that, I think, a 1-cent increase in a 1-minute telephone rate nationwide equals $2 billion, then you begin to see why that other room stays filled up. They are not going to leave until we get through the conference. So we just started that journey of 1,000 miles with the first step. I hope we can continue with the success we have had thus far.

I will even elaborate further when we get more time, because other Senators want to speak, but Senator PRESSLER has done an amazingly outstanding job.

Mr. PRESSLER. Mr. President, I thank the Senator from Washington. He has been key in moving this bill forward. I see he has moved to another part of the room. But his wise counsel has been very much—I know he has managed that enormous product liability bill in our committee. But on this committee he has just done—this bill would not be here if it were not for the Senator from Washington and I thank him very, very much.

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, I would like to add my voice of commendation to the chairman of the committee and the ranking member for the manner in which they have presented this bill and given us an opportunity to understand its contents and debate its principal provisions.

It had been my full expectation that I would support this legislation. I was well aware of the legislation that had been introduced last year by the then chairman, the Senator from South Carolina. I was publicly, positively supportive of that legislation. I, frankly, therefore, state with regret that I will not be able to support the legislation that is before us in the form this afternoon. The debate we are having now on an amendment relative to a provision of the legislation having to do with the relationship between the providers of cable television product and the purchasers of that product is, to me, illustrative of a concern, a process that seems to have been too much operative in the development of this legislation and in its consideration. That is a process which essentially says that the Congress, as the elected representatives of the people, serve the role of ratifiers of private agreements developed among the parties who will be affected by this legislation.

Reference was made earlier to the model of President Truman and a railroad strike that occurred after World War II. He initially had proposed a congressionally mandated solution. Then the parties decided that maybe they could go back to the bargaining table and arrive at a resolution. I think that is an appropriate manner for the resolution of a labor-management dispute. But we are not here talking about a labor-management or other commercial controversy. We are talking about one of the most fundamental aspects of a democratic society, and that is control of ideas and their dissemination. That is a role in which any democratic government has a key responsibility. It has been a fundamental part of this Nation since the adoption of the first amendment to the Constitution, which guarantees freedom of press and freedom of speech.

So we here are not talking as ratifiers of some private agreement as to how ideas would be made available to the American people. We are here as the representatives of the American people, to try to structure a process of communications law that will best serve the interests and the values of the American people today and, in a highly dynamic era, into the future.

I started my consideration of this legislation from a basic economic premise of support of the marketplace as the best allocator of resources. While Governor of Florida, I actively supported the deregulation of a number

of our industries. I supported the delicensure of professions where I felt licensure was not serving an adequate public purpose. Thus, I started with a presumption of support of appropriate opening up to the marketplace as the regulator for access, quality and cost of the communications industry.

I, regretfully, find two principal defects in the way in which we have implemented that movement towards the marketplace. First, I do not believe that this legislation adequately creates the free, robust, competitive marketplace to which we can, with confidence turn in lieu of our tradition of regulation as a means of assuring open, quality, affordable communications in this Nation. I would just cite two examples of provisions which I think undercut that confidence that we will have a free market that will be the means by which we will achieve desirable public ends.

First, as it relates to cable television, we saw from 1984 until 1992 a period in which the Congress had denied to States and local governments their traditional role of providing some regulation for cable television. What we saw was not only an escalation of cost of cable TV, but in many communities an escalation of arrogance, as the cable TV companies did not provide what consumers considered to be an adequate level of service. In some areas, parts of the city which had the affluent neighborhoods were wired for cable TV, while those areas of the city that did not have adequate income base to meet the economic needs of the cable TV system were denied any service at all.

Beginning in 1992 there was a process of partial reregulation. We have seen significant benefits by that. We have seen a reduction in the cost of cable TV for most American families. At the same time we have seen a cable TV industry which is at an all-time high in terms of its economic prosperity. Yet, part of this legislation is going to be to roll back the progress that was made just 3 years ago in terms of providing some control, even though that control would fall away when it was established that there was in fact a competitive marketplace where people had options and choices and could use the marketplace as the means of assuring access, quality, and cost control. That provision is now out of this legislation. I think with it also has flown a significant amount of the rationale of allowing the marketplace to provide the alternative to regulation. In this case we have neither an open marketplace nor do we have any meaningful regulation.

I might say that I have had a number of contacts in our office from representatives of the cable TV industry, and they are very candid in their statements. Their statements are that they want to have this period of no regulation while they still are in a monopolistic position—that is, without effective competition within their market area—so that they can build up their cash position to be in a better position to compete with the regional phone companies at such time that the regional phone companies get into the cable TV business. That is a statement that they are not being clandestine or secret about. They are telling us that they are going to use this remaining period of monopoly as a means of raising rates in order to be in a strengthened position when they are in a competitive market. I think we will find it very difficult to explain to our citizens why we tolerated what I think is a basic abuse of the free enterprise system.

Second, as an example of where this legislation fails to assure that there will be, in fact, an open, competitive marketplace before we trade in regulation as a means of assuring the public access quality and cost control is the issue of the role of the Department of Justice as it relates to the entry of regional telephone companies into long distance.

In the legislation that was before us last year, the Department of Justice continued to have a role in terms of evaluating specific proposals to determine if they met basic standards of antitrust before they could go forward. That provision has now been eliminated. So we are going to have companies going into the long-distance business by meeting a checklist supervised by an agency that has not had the kind of background and tradition of ferreting out anticompetitive schemes as has the Department of Justice.

I believe that we are going to see the potential—when a person moves into a new neighborhood and calls the telephone company and asks to have their local service connected, then they are asked what long distance they want, there will be the potential of the local concern to tout, or otherwise steer, the local service customers to that same firm's long-distance service. That would be very much in the economic interest of the local service to do.

To provide sanctions and protections against exactly that type of situation, we ought to have the Department of Justice playing a role in making that judgment as to whether there is in fact a free and open market before we trade in our regulation that has provided consumers some protection.

So I think, first, this legislation fails to meet the basic premise upon which it is based; that is, that we will have meaningful competition as a substitute for regulation in the communications area.

Second, I believe that we cannot use the analogy that I have heard on the floor over the past few days of commercial products as a direct parallel to the service of communications.

The reality is that ideas are not like shirts or shoes or hamburgers or other products where there clearly have been benefits by having an unfettered, free market.

Thomas Jefferson once observed that, having to make choice between free government and free speech or freedom of the press, he would take free speech and freedom of the press because, if you did not have those fundamentals, you would not have a free government for long. And if you lost the free government but you still had people who could have the freedom to speak and the freedom to communicate ideas, you would build eventually a base for a restoration of free government.

This issue is as fundamental as our basic precepts of democracy and what is required for a functioning democracy.

I am very concerned about the effect of the concentration of power within this legislation, a concentration of power which I do not believe is necessary in order to accomplish the objectives of a greater role of the marketplace in the allocation of communications technology.

Why do we have to lift totally the number of television stations that an individual entity can own in order to get the benefits of technological innovation in telephones or in television or video or other services? I believe that this legislation is being used as a means by which to accomplish other ends, which are to concentrate power in an area that is critical to a democratic society. I have little doubt that, if this legislation is passed in its current form, within a few years from this afternoon we will see a handful of firms control the large majority of television stations in the United States. It frankly frightens me to see that kind of power turned over to a few hands. I do not see what benefit the consumers are going to receive by that. I believe that will be the inevitable result of this legislation. I do not see what purpose in the general thrust of this legislation is advanced by that kind of an open invitation to concentration of power and control over the access to ideas in our democratic society.

So I believe that this legislation had a worthy goal to bring modernity, a recognition of the changes in technology, to give us a chance for a greater access to the benefits of a rapidly changing telecommunications industry but that we have fallen short of those goals by failure to assure that there will be a functioning free market before we drop the protections of even minimal regulations such as those that are available today for cable TV customers, and we have allowed the general goal to be held out under which was buried efforts to concentrate economic power which has the potential to damage our democratic society.

So it is, Mr. President, with a sense of disappointment that I announce my inability to support this legislation in its current form. I hope that by stating the basis of my opposition, that might contribute to further reforms before this legislation is finally adopted, finally resubmitted to us out of a conference committee, so that we will have legislation that can draw the kind of broader support for change, I believe, as fundamental—I would say as

radical—as this should have before it is adopted.

Thank you, Mr. President.

Mr. STEVENS. Mr. President, I rise merely to congratulate my good friend, the Senator from South Dakota, and also my friend from South Carolina for their management of this bill. It is a bill that means a great deal to rural America in particular. We have watched developments in the last part of this century with awe. I think the developments that are coming now will startle our imagination. I am talking about the developments in telecommunications and technology.

When I came to the Senate, the Army ran our only communications system. It was a telephone system. We had also the wireless and telegraph capability. We are moving now into the next century. Because, I think, of the work the Senate has done in this area, we are moving into the 21st century with everyone in the country, and we are probably ahead of everyone else in the world. The real necessity now is to devise a system that will carry us on beyond this developing technology into an era of really free competition without regulation in which the ingenuity and really resourcefulness of the American entrepreneur will bring us better and better and better communications.

Communications now have reached the point where at least in my State they dominate our educational pattern. They dominate the health care delivery system. They dominate our total communications system in terms of business.

In a State that is one-fifth the size of the United States, the one single factor that makes us equal is the equal access to the most recent developments for telecommunications. I think this bill will assure that in this interim period now as we shift from the 1934 Communications Act into a period where we will have very, very little regulation of communications, which I think should start sometime between 2005 and 2010 is where I see it in terms of the developments of technology that have been reported to us thus far. Developments are still on the drawing board in some instances, developments that are really being applied from our space research in other instances.

I do believe the work the Senator from South Dakota and the Senator from South Carolina have done along with their staffs in perfecting this bill so we can take it now to the House and, hopefully, early to conference will mean that we are going to have a change, an immediate change in this country. It will be a change for the best as far as Alaska is concerned.

I close by just remarking that the other day I heard about a young family that has moved to Alaska from somewhere around the San Francisco area. They bought an island, and they have moved themselves and their small business up to that island. They are going to continue to conduct their business in the San Francisco area by telecommunications from my State. They will have available all of the modern convenience where they are going to be.

That is something which could not even be dreamed of when I first went to Alaska, and now we are in a situation where we see people moving into our State from all over the country, if not the world, to utilize our wilderness, our beautiful surroundings, and at the same time maintain contact with the rest of the world through telecommunications. This bill, as I said, means more to us than I think it does anyone in the Senate.

I thank the Chair.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER (Mr. THOMPSON). The Senator from West Virginia.

Mr. BYRD. Mr. President, I shall use such time as I may require under the time allotted to any Senator under the cloture rule. I shall not be long.

The purpose of this bill is to establish a framework to introduce more competition into the telecommunications sector and break down the current system of large monopolistic fiefdoms which characterize this market.

In addition, there is an attempt to deregulate cable and broadcasting sectors in an attempt to strike a compromise between the current regulatory environment and the desire for additional competition in those marketplaces. The question is, Does the bill go far enough in doing this? Can we predict how successful it will be? What are the dangers that additional influence by big corporations, big entities, will result despite the intentions of the hard-working managers of the bill, the distinguished Senator from South Dakota, the chairman, Mr. PRESSLER—and I compliment him on his management of this bill and the work that he has done on the bill during the committee process, throughout the hearings and the markup—and the ranking member, whom I compliment, the distinguished Senator from South Carolina [Mr. HOLLINGS] the former chairman of the committee, straight as an arrow in his physique, straight as an arrow in his integrity and honesty and straightforward manner.

Certainly it is intuitive that prices will drop with additional competition in the telephone marketplaces that might eventually occur, but the impact of bigness on the pending bill, which is attempting to reduce bigness, gives me great pause.

There is a substantial possibility that three-quarters of West Virginia's cable TV viewers will pay higher prices for this service as a result of the bill. This is because the definition of ''small'' cable company included in the leadership amendment on this floor would include about 74 percent of our West Virginia cable viewers. Even if they take the most basic cable service, it is subject to deregulation and the price can go through the roof before the ink is dry on the conference report.

The distinguished Senator from Connecticut [Mr. LIEBERMAN] this afternoon offered an amendment to correct those cable rate rises. Unfortunately, his amendment was not agreed to. I supported that amendment, which was an important consumer amendment.

In addition, Mr. President, on the amendment by the distinguished Senator from North Dakota [Mr. DORGAN] to keep the concentration of TV ownership at the current cap of 25 percent, the amendment failed after some heavy lobbying by interests that are interested in further concentration of broadcasting station ownership.

There are some good things in the bill, including in particular the initiative authored by my colleague from West Virginia, Mr. ROCKEFELLER, that extends the traditional concept of universal service which is essential for our State and broadens it to include affordable rates for such institutions as hospitals, secondary schools, and libraries, bringing the future information highway and the services it can give to every person—down to the basic infrastructure for learning and health care—to West Virginia. I congratulate my colleague, Mr. ROCKEFELLER, on this item, and I enthusiastically endorse it.

In addition, the Senators from North Dakota and Nebraska, Senators CONRAD and EXON, have authored valuable amendments to take steps to reduce violence and obscenity on TV in this bill, and we sorely need to take that kind of action.

Given these worthy provisions, I also take note of the observations made earlier by the distinguished Senator from Nebraska [Mr. KERREY] regarding the quality of the message and pictures going over the airwaves and the land lines. The issue is the manipulation and control of information made available to our citizens. Wide choice and quality programming must be available. Essential information must be available to our people so that independent judgments can be made. Bigness, big programming, cavalier concern for consumer choice and diversity of viewpoint seem to go hand in hand. We need to take care that we do not allow our media to hollow out the essence of information and diversity of viewpoint which are essential to creating an informed citizenry. Certainly, we ought to focus a great deal of attention on the effect that such legislation as we have before us today enhances and informs citizenry and erects barriers to the power of great financial and technological interests that care only about manipulation, control, and the bottom financial line.

This is a very big and complex bill dealing with a range of businesses and interests that are vast, wealthy, and powerful. We have not had enough time to adequately debate the very important amendments in this bill. We should not be invoking cloture. I voted against cloture on yesterday. I was one of the few who voted against it. We

should not be invoking cloture to truncate the doing of the legitimate business with adequate debate on this kind of measure.

Cloture is for filibusters. Cloture is not intended to shut off legitimate debate on important business such as this. Senators and their constituents are shortchanged by this technique, and it is not in the highest traditions of this deliberative body.

Mr. President, finally, the episode over the last 2 days regarding the transparent threats by one big conglomerate, Time Warner, to threaten the future of a business arrangement unless the Senate agrees to remove a particular provision from the bill is an outrageous illustration of the kind of influence peddling and pushing that surrounds this legislation.

The senior Senator from Nebraska [Mr. EXON] has drawn the attention of the Senate to the kind of intrusion into the legislative process that is illustrated by the threat that Time Warner has engaged in. One cannot help but wonder what leads a big organization like Time Warner to think that it can actually affect the legislative process in this way.

What does this episode say about the perception of the integrity of the Senate that prevails among the big concerns that mold public opinion? What leads such concerns to think that they can get away with this kind of blackmail?

There is too much money pushing around this legislative product and process. It is totally inappropriate, and I congratulate the distinguished Senator from South Carolina on his statement, and I shall support him in his urging that the amendment not be agreed to.

For the reasons stated, I shall also vote against the bill on final passage.

Mr. President, I ask unanimous consent to have printed in the RECORD an article by Tom Shales that appeared in the June 13, 1995 edition of the Washington Post, along with a letter from Time Warner, dated June 13, 1995, to Senator PRESSLER; and a letter from Senator PRESSLER to Mr. Timothy Boggs of Time Warner, dated June 15, 1995.

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

[From the Washington Post, June 13, 1995]

FAT CAT BROADCAST BONANZA

(By Tom Shales)

It's happening again. Congress is going ever so slightly insane. The telecommunications deregulation bill now being debated in the Senate, with a vote expected today or tomorrow, is a monstrosity. In the guise of encouraging competition, it will help huge new concentration of media power.

There's something for everybody in the package, with the notable exception of you and me. Broadcasters, cablecasters, telephone companies and gigantic media conglomerates all get fabulous prizes. Congress is parceling out the future among the communications superpowers, which stand to get more super and more powerful, and certainly more profitable, as a result.

Limits on multiple ownership would be eased by the bill, so that any individual owner could control stations serving up to 35 percent of the country (50 percent in the even crazier House version), versus 25 percent now. There would be no limit on the number of radio stations owned. Cable and phone companies could merge in municipalities with populations up to 50,000.

Broadcast licenses of local TV stations would be extended from a five-year to a 10-year term and would be even more easily renewed than they are now. It would become nearly impossible for angry civic groups or individuals to challenge the licenses of even the most irresponsible broadcasters.

In addition, the rate controls that were imposed on the cable industry in 1992, and have saved consumers $3 billion in the years since, would be abolished, so that your local cable company could hike those rates right back up again.

Sen Bob Dole (R-Kan.), majority leader and presidential candidate, is trying to ram the legislation through as quickly as possible. Tomorrow he wants to take up the issue of welfare reform, which is rather ironic considering that his deregulation efforts amount to a bounteous welfare program for the very, very, very rich.

Dole made news recently when he took Time Warner Co. to task for releasing violent movies and rap records with incendiary lyrics. His little tirade was a sham and a smoke screen. Measures Dole supports would enable corporate giants such as Time Warner to grow exponentially.

''Here's the hypocrisy,'' says media activist Andrew Jay Schwartzman. ''Bob Dole sits there on 'Meet the Press' and says, yes, he got $23,000 from Time Warner in campaign contributions, and that just proves he can't be bought. He criticizes Time Warner's corporate responsibility and acts like he's being tough on them, but it's in a way that won't affect their bottom line at all.

''Meanwhile he is rushing to the floor with a bill that will deregulate cable rates and expedite the entry of cable into local telephone service, and no company is pressing harder for this bill than—guess who—Time Warner.''

Schwartzman, executive director of the Media Access Project, says that the legislation does a lot of ''awful things'' but that the worst may be opening the doors to ''a huge consolidation of broadcast ownership, so that four, five, six or seven companies could own virtually all the television stations in the United States.''

Gene Kimmelman, co-director of Consumers Union, calls the legislation ''deregulatory gobbedygook'' and says it would remove virtually every obstacle to concentration of ownership in mass media. The deregulation of cable rates with no competition to cable firmly in place is ''just a travesty,'' Kimmelman says, and allowing more joint ventures and mergers among media giants is ''the most illogical policy decision you could make if you want a competitive marketplace.

The legislation would also hand over a new chunk of the broadcast spectrum to commercial broadcasters to do with, and profit from, as they please. Digital compression of broadcast signals will soon make more signal space available, space that Schwartzman refers to as ''beachfront property.'' Before it even exists, Congress wants to give it away.

Broadcasters could use the additional channels for pay TV or home shopping channels or anything else that might fatten their bank accounts.

There's more. Those politicians who are always saying they want to get the government off our backs don't mind letting it into our homes. Senators have been rushing forth with amendments designed to censor content, whether on cable TV or in the cyberspace of the Internet. The provisions would probably be struck down by courts as antithetical to the First Amendment anyway, but legislators know how well it plays back home when they attack ''indecency'' on the House or Senate floor.

Late yesterday Sens. Dianne Feinstein (D-Calif.) and Trent Lott (R-Miss.) called for an amendment requiring cablecasters to ''scramble'' the signals of adults-only channels offering sexually explicit programming. The signals already are scrambled, and you have to request them and pay for them to get them. Not enough. Feinstein and Lott said: they must be scrambled more.

The amendment passed 91–0.

It's a mad, mad, mad, mad world.

An amendment expected to be introduced today would require that the infamous V-chip be installed in all new television sets, and that networks and stations be forced to encode their broadcasts in compliance. The V-chip would allow parents to prevent violent programs from being seen on their TV sets. Of course, they could turn them off, or switch to another channel, but that's so much trouble. Why not have a Big Brother do it for you?

The telecommunications legislation is being sponsored in the Senate by Commerce Committee Chairman Larry Pressler (R-S.D.), whose initial proposal was that all limits on multiple ownership be dropped. Even his supporters laughed at that one.

Dole is the one who's ramrodding the legislation through, and it's apparently part of an overall Republican plan for American media, and most parts of the plan are bad. They include defunding and essentially destroying public television, one of the few wee alternatives to commercial broadcasting and its junkiness, and even, in the Newt Gingrich wing of the party, abolishing the Federal Communications Commission, put in place decades ago to safeguard the public's ''interest, convenience and necessity.''

It's the interest, convenience and necessity of media magnates that appears to be the sole priority now. ''The big loser in all this, of course, is the public,'' wrote media expert Ken Auletta in a recent New Yorker piece about the lavishness of media contributions to politicians. The communications industry is the sixth-largest PAC giver, Auletta noted.

Viacom, a huge media conglomerate, had plans to sponsor a big fund-raising breakfast for Pressler this month, Auletta reported, but the plans were dropped once Auletta started making inquiries: ''Asked through a spokeswoman about the propriety of a committee chairman's shopping for money from industries he regulated, Pressler declined to respond.''

The perfect future envisioned by the Republicans and some conservative Democrats seems to consist of media ownership in very few hands, but hands that hold tight rein over the political content of reporting and entertainment programming. Gingrich recently appeared before an assemblage of mass media CEOs at a dinner sponsored by the right-wing Heritage Foundation and reportedly got loud approval when he griped about the oh-so-rough treatment he and fellow conservatives allegedly get from the press.

Reuven Frank, former president of NBC News, wrote about that meeting, and other troubling developments, in his column for the New Leader. ''It is daily becoming more obvious that the biggest threat to a free press and the circulation of ideas,'' Frank wrote, ''is the steady absorption of newspapers, television networks and other vehicles of information into enormous corporations that know how to turn knowledge into

profit—but are not equally committed to inquiry or debate or to the First Amendment.''

The further to the right media magnates are, the more kindly Congress is likely to regard them. Most dramatic and, indeed, obnoxious case in point: Rupert Murdoch, the Fox mogul whom Frank calls ''today's most powerful international media baron.'' The Australian-born Murdoch has consistently received gentle, kid-glove, look-the-other-way treatment from Congress and even the regulatory agencies. When the FCC got brave not long ago and tried to sanction Murdoch for allegedly deceiving the commission about where he got the money to buy six TV stations in 1986, loud voices in Congress cried foul.

These included Reps. Jack Fields (R-Tex.) and Mike Oxley (R-Ohio), Daily Variety's headline for the story, ''GOP Lawmakers Stand by Murdoch.'' They always ??? Indeed. Oxley was behind a movement to lift entirely the ban on foreign ownership of U.S. television and radio stations. He wanted that to be part of the House bill, but by some miracle, this is one cockamamie scheme that got quashed.

Murdoch, of course, is the man who wanted to give Gingrich a $4.5 million advance to write a book called ''To Renew America,'' until a public outcry forced the House speaker to turn it down. He is still writing the book for Murdoch's HarperCollins publishing company. The huge advance was announced last winter, not long after Murdoch had paid a very friendly visit to Gingrich on the Hill to whine about his foreign ownership problems with the FCC.

Everyone knows that America is on the edge of vast uncharted territory where telecommunications is concerned. We've all read about the 500-channel universe and the entry of telephone companies into the cable business and some sort of linking up between home computers and home entertainment centers. In the Senate debate on the deregulation bill last week, senators invoked images of the Gold Rush and the Oklahoma land rush in their visions of this future.

But this gold rush is apparently open only to those already rolling in gold, and the land is available only to those who are already big landowners—to a small private club whose members are all enormously wealthy and well connected and, by and large, politically conservative. It isn't very encouraging. In fact, it's enough to make you think that the future is already over. Ah, well. It was nice while it lasted.

TIME WARNER,
Washington, DC, June 13, 1995.

Hon. LARRY PRESSLER,
Chairman, Committee on Commerce, Science and Transportation, U.S. Senate, Washington, DC.

DEAR CHAIRMAN PRESSLER: As you requested, the attached signature page confirms that Home Box Office has reached an agreement with the National Cable Television Cooperative, Inc. for HBO programming. As discussed with you and your staff, this agreement is entirely contingent on the removal of the program access provisions at Section 204(b) of S. 652, prior to Senate action on the legislation.

On behalf of Time Warner and HBO, I am pleased to report that we have reached this agreement and respectfully request that this provision be removed from the bill at the earliest possible opportunity. Without removal of this provision from the bill, the HBO distribution agreement with the NCTC will be void.

Thank you for your leadership on this matter. Please feel free to contact me if I can be of any assistance to you or your staff. I can be reached at my office at 202/457–9225 or at home at 202/483–5052.

Warm regards,

TIMOTHY A. BOGGS.

U.S. SENATE,
COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION,
Washington, DC, June 15, 1995.

Mr. TIMOTHY A. BOGGS,
Senior Vice President for Public Policy, Time Warner, Inc., Washington, DC.

DEAR MR. BOGGS: Your faxed letter of June 13 contains misleading statements which do not accurately reflect my position.

On May 4, 1995, I met briefly with you, Ron Schmidt and HBO/Time Warner executives, in the presence of my staff, regarding the program access provision of S. 652. During that meeting, HBO/Time Warner urged me to support deletion of the program access provisions of the bill.

I stated that the program access provision was of enormous importance to small cable operators, including those in South Dakota. I suggested that if the program providers disliked the provision, they ought to negotiate with the small cable operators to reach an agreement which might address the problems this portion of S. 652 is attempting to solve. Specifically, since Ron Schmidt is from my home state, I suggested that he talk to a small cable operator from South Dakota, Rich Cutler, to see if an industry compromise were possible.

At no time during our conversation did I indicate that any specific action by Time Warner would result in deletion of the program access provisions. I have had no further conversations with HBO/Time Warner about this matter since that meeting. My staff has not portrayed my position as being anything other than the industry negotiations suggested on May 4. Nothing I said during our short meeting could be construed as suggesting some sort of quid pro quo, which would be wrong, if not illegal. I resent the inference in your letter that I suggested something other than an industry-negotiated solution.

Your letter indicates that failure to delete the program access provisions from the bill would vitiate any negotiated agreement HBO/Time Warner had reached with the small cable operators. While HBO/Time Warner is free to negotiate contracts as they see fit, such tactics, in my opinion, cannot be considered as good faith negotiations. Your letter implies that I tacitly approved such a condition, which is not the case.

I expect you to send this letter to the same individuals who received your letter to me. Your letter is misleading, and does not accurately characterize my position as presented in my May 4 meeting with HBO/Time Warner.

Sincerely,

LARRY PRESSLER,
Chairman.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. Mr. President, I presume that within the hour, we will get to final passage of this very important legislation. I think it is appropriate that we take note of a little bit of the effort that went into it.

First, I want to refer again to the title of this bill: Telecommunications Competition and Deregulation Act of 1995. I think that is really what it is, but it has been a monumental undertaking. You have had the behemoths of the industries on both sides struggling mightily to protect their interests—their turf. Everybody has wanted, as the saying has been repeated on the floor earlier, ''a fair advantage.'' The goal of the committee has been to try to make sure that it was just fair to everybody.

It has been very difficult. A lot of effort has gone into it, but I believe we have accomplished the goal we have set out to accomplish. And I believe that we will have an overwhelmingly bipartisan vote when we get to final passage.

So I wanted to take this early opportunity, in advance of the vote to thank and commend the managers of this bill, Chairman PRESSLER and the ranking member, Senator HOLLINGS of South Carolina, the former chairman, who have really done outstanding work.

I also want to commend the majority and minority leaders, Senator DOLE and Senator DASCHLE. I have commented to both of them that I believe this is the best example I have seen this year of our leaders working together and our managers working together for what is in the best interest of the country, not the best interest of one party or the other, or one segment of the telecommunications industry or the other, but what is the right thing to do.

It has been a long struggle, and it would not have been possible without the type of bipartisan cooperation and strong leadership that we have seen here. The legislation is truly a remarkable achievement. For 20 years, Congress has been trying, struggling to get comprehensive communications reform—without success. But we are on the verge of seeing that happen.

So this is a historic act that will bring, I think, a tremendous boost to our economy and our standing communications policy that will take us into the 21st century.

I believe that we will see a tremendous growth and expansion in this area—new innovation, new ideas, with the utilities being involved, along with the Bells, the long distance companies and cable companies. There are going to be jobs created and the economy will grow and expand in this area. As a member of the Commerce Committee, I am proud to have been a part of this effort.

I commend the chairman, in particular, because I do not know of anybody else that could have done it at this particular time. He has been persuasive and doggedly persistent. I wish I had a nickel for every time that he said to the distinguished leader, ''We are ready to go. When can we get on the schedule? Is it alright if we go ahead and move it?''

How did the Chairman do it? He opened the process to the full committee. He involved everybody. He went to all of the committee members. I remember the first meeting we had in his office. Yes, he worked with the Republicans, but he did not stop there. He went to the Democrats and he did not talk through people to the former

chairman; he went directly to him. When we got our first draft, he hand-delivered it to the Members. The leadership was involved every step of the way. Months of negotiations were held before we had the eventual agreement, and when we finally agreed upon the core, the entry test, he stuck with it in the markup and on the floor. Also, the distinguished Senator from South Carolina stuck with it.

So I just have to say Senator PRESSLER is one who gets the job done. He certainly did it here. The country will be better off because of his leadership on this bill and on the committee. I look forward to working with him in many other instances in the future.

Senator HOLLINGS' leadership and cooperation deserves great praise. I have had him on the other side of issues, and I did not appreciate it a bit. He was tough. But, boy, is it fun when he is with you. It has really been a pleasure to work with him. He is a man of his word. When he tells you he is going to stay put, he does—even when he has pressure on his side of the aisle not to. This would not have been possible without his cooperation, experience, and his perseverance.

I also thank some tremendous staff people: Paddy Link, staff director for Senator PRESSLER, and his counselors, Donald McClellan and Katie King. For Senator HOLLINGS, I thank Kevin Curtain, John Winhausen, who has been around on this issue for some time, and Kevin Joseph. For Senator DOLE, I appreciate the efforts by David Wilson, and for Senator DASCHLE, Jim Webber. I have never seen many staff people work so well together. They worked days and nights and weekends when we were back in our States, and they struggled along with it. So I think they deserve a lot of credit. I thank my own staff assistant, Chip Pickering for his work on this issue. I have called him the ''peacemaker.'' Blessed are the peacemakers, for most of them are dead. Many times I thought he was going to get himself killed and me, too, because he had me in the middle of my friends on both sides. So I appreciate the effort he put forward.

I want to thank some other people, like Larry Johnson, Kelly Algood, Bernie Ebbers, Bernard Jacobs, and Eddie Fritz. All of these are Mississippians who have a direct interest and knowledge in this area. They are on the long distance side, they are on the Bell side, they are on the cable side, they are utility folks and broadcasters.

Although it is difficult in legislation of this magnitude to agree on all issues, I appreciate their insight, assistance and understanding of what I was trying to do. They made it possible for me to try to be helpful as we moved the legislation along toward what will be right for the country and fair to the competitors and the consumers.

Again, I congratulate the managers. I am proud of them and proud to have been associated with them. This is truly historic. In many ways, this bill is every bit as big and as important as the balanced budget resolution we passed. It will have a tremendous impact on the economy, and I believe it will greatly help our country's future.

I yield the floor.

Mr. PRESSLER. Mr. President, if I may for a minute, I want to thank the Senator from Mississippi, and Chip, his able assistant. I will be saying more later about thanking people. But the bill would not have happened without him. Every time I went to him as my deputy leader, he was there. I do not know how you get enough hours in the day to do all the things we ask you, but you were there, and I thank you very much for your kind comments.

Mr. HOLLINGS. Mr. President, let me also join in my thanks to the distinguished Senator from Mississippi. When we really got into trouble, I went to the Senator from Mississippi. He paved the way all the time in the 2 years previous here working on this bill and, of course, all this year. I cannot thank him enough. We could not have had this bill without his leadership.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I cannot help but observe the thankfulness that is going on here. I was standing here listening, and I thought to myself, in this Chamber the highest praise is usually reserved for those who are about to vote against you.

I stand to give credit to the Senator from South Dakota. I think the Senator from South Dakota has demonstrated real skill in moving this legislation. I am, of course, indebted to the leadership of not only the Senator from South Dakota, but the Senator from South Carolina, with whom I have worked carefully for a long, long while.

These have been difficult issues, no question about that. We are dealing with literally hundreds of billions of dollars in the American economy with interest groups that have very substantial stakes in the outcome of this legislation. I understand the passion with which some people stand here and debate to push their positions.

I started out very hopeful about this legislation and voted for it coming out of the committee. I think there are elements of this legislation that will be good for this country. I remain concerned, however, about the issue of concentration of ownership in the television and radio broadcasting. I remain concerned about the lack of the role of the Justice Department in being able to adequately enforce what I consider to be vital antitrust issues. For those reasons, I do not feel I am going to be able to vote for this bill on final passage. I say that with some disappointment because I had hoped as we started this process that we would be able to successfully amend it on the floor of the Senate.

The Senator from South Dakota and the Senator from South Carolina will recall when we had the markup in the Commerce Committee, the issue was to try to move this bill along as quickly as possible. I understood that morning the need in a couple of hours to move this bill out of committee. But we discussed at some length there about the opportunity to offer amendments on the floor of the Senate and to try to correct some of the areas that represented concerns.

I voted for it coming out of committee, but I did, in the committee, express the very concerns that I brought to the floor about concentration of ownership of television and radio stations and my concerns about an adequate role for the Justice Department on the issue of RBOC entry into long distance.

When I came to the floor, we had an opportunity to fully debate them. I compliment the two leaders on the floor. They were very cooperative. For that I am appreciative.

I suffered one of these unusual experiences of having won briefly and then lost on an amendment I cared a great deal about: that is my amendment on television ownership.

We now restrict ownership to 12 television stations and we limit the audience reach to 25 percent. These limits prevent a concentration of media ownership in this country. This bill says that there is no limitation on how many stations one can own, as long as you do not cover more than 35 percent of the country.

I do not support that, and I brought an amendment to the floor that would have retained the existing limits. We debated it and voted.

At the end of the vote, my amendment won by a vote of 51–48. It taught me a lesson—this whole set of circumstances—because although I won by a vote of 51–48, an hour and a half later, it turns out some folks had new opinions about this issue after having debated it for hours and days, and we had another vote.

Then I learned that not all Members are equal in this Chamber. Some have a better grip in wrenching arms than others, and I will be darned if I did not lose. You win for an hour, and I guess you lose forever, in these circumstances.

For that reason, I do not feel I can vote for the bill on final passage. I did want to explain briefly that I view the issue of telecommunications reform as critically important to the United States. Its development, its opportunity for this country is a very significant issue.

I admire the work of the two Members who brought this to the floor and have spent days on the floor. I wish very much that the couple of major amendments I had offered would have been adopted, in which case I would have been one to cast a yes vote on final passage. I hope the managers will understand the reason for my no vote.

I expect when the votes are counted, this legislation will advance. I still

have some hope that when this bill comes out of conference committee the issues I have mentioned will be addressed.

I yield the floor.

Mr. INHOFE. Mr. President, I ask unanimous consent to be recognized to address the Senate for not to exceed 12 minutes as in morning business.

Mr. President, I thank the Chair.

(The remarks of Mr. INHOFE pertaining to the introduction of S. 928 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, what is the parliamentary situation?

The PRESIDING OFFICER. We are currently on amendment No. 1341 of the telecommunications bill.

Mr. BUMPERS. Mr. President, I ask unanimous consent I be permitted to speak for 5 minutes on the bill but not on the amendment.

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

Mr. BUMPERS. Mr. President, I come to the floor to say that I have concluded, after considerable debate with myself, not to vote for this bill on final passage. It was not a decision easily reached. This is an immensely complex bill. Frankly, there are very few Senators in the U.S. Senate who really understand the full complexity and ramifications of this bill.

My decision is not based on whether or not the baby Bells can get into the long distance telephone market. That is a problem for me. But it is not nearly the problem of the unlimited power of people owning an unlimited number of radio stations and television stations, which I consider to be highly dangerous.

I heard the Senator from Florida, Senator GRAHAM, this morning say that Thomas Jefferson once asked which would he choose between a free government and a free press? He said he would always take a free press because you cannot have a free government without a free press.

These airwaves of radio and television stations can only be allocated by the Government. You cannot allow people willy-nilly to take a particular channel in the airwaves for a radio or television station. That is what the Federal Communications Commission was set up to do, allocate those things. And for years the Government gave away billions and billions of dollars' worth of television station channels and radio station channels. It has only been in recent years that the Government has decided it was being taken and it ought to start making people bid at public auction for those airwaves. Incidentally, it has helped a great deal in our efforts to balance the budget. We have been getting billions of dollars for radio and television station channels on the airwaves.

There was a time not too long ago in this country when you were prohibited from owning a television station and a newspaper in the same community. Now, under this bill, you can own 500 radio stations, 1,000 radio stations. You can own as many television stations as you want, as long as you do not control more than 35 percent of the market as determined by the Federal Communications Commission. Can you imagine some people—I will leave it to your imagination, and I will leave it to your imagination as to who it may be—can you imagine some of the people in this country who are very big in telecommunications owning 1,000 radio stations; 100 television stations? Let us face it, the newspapers are not nearly as powerful as the television stations. It is a concentration of communications power that I think is dangerous to the country.

So I believe that some ideological bent or belief, not an empirical belief but an ideological belief, a philosophical belief that the free market will solve this problem—turn them all loose to buy and sell these stations however they will—it has not even worked in a lot of the rest of our society. That is the reason we have an antitrust division down at the Justice Department. It was the very reason Teddy Roosevelt saw that the people were suffering from the gigantic trusts of his day. So from that evolved the Sherman Act, the Robinson-Patman Act and all the other acts that protect people from what can become a tyranny.

I think it was Madison who said—and I sometimes wonder what James Madison would think today—but it was James Madison who said the Congress, the Congress is what stands between the people and what would otherwise surely become a tyrannical leader, tyrannical government.

Mr. President, for all of those reasons history tells me we are about to make a colossal mistake that will be very difficult to undo when we discover it someplace down the road.

I yield the floor.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I thought, with the permission of the Senator from South Carolina, I might speak for 6 minutes or so before the final vote.

Mr. President, this debate we have had on this bill has opened all eyes to the dazzling possibilities provided by our new, emerging information technologies. I will quote from some of the speech that I gave several days ago during this debate.

> I can imagine workers in rural Minnesota telecommuting to and from work as far away as New York or Washington without ever having to leave their homes or families. Or schoolchildren in a distressed Minneapolis school district reading the latest publications at the Library of Congress via thin glowing fiber cables—

Mr. President, this really excites me as a teacher.

> or rural health care providers on the iron range consulting with the top medical researchers at the Mayo Clinic in Rochester to better treat their patients.

Mr. President, all of this is before us. I felt like this bill presented to each Senator a daunting—an exciting but also daunting—responsibility. The concern that I have has to do with whether or not we can make sure that there will be true competition, and that this technology and information will truly be available to everyone in the Nation, not just the most privileged or the most wealthy.

What has disappointed me the most—and the Senator from South Carolina has to be one of the colleagues I most respect here in the Senate even when we disagree—is that over and over again where there have been amendments to I think assure competition and to also protect consumers—I am not just concerned about the alphabet soup corporations. I am also concerned about the people that live in Ferguson Falls or live in Virginia, Minnesota, or live in Minneapolis or St. Paul or Northfield. I was hoping that at least we could build in more protection for consumers and more guarantees that there would in fact be the competition that we all talk about.

While I fully appreciate the potential of this legislation, I am really worried about where we are heading because I think there is going to be entirely too much concentration of power.

I would just simply build on the remarks of my colleague from Arkansas. The media is the only private enterprise in the United States of America that has first amendment protection. The reason for that, though we did not have the same kind of communication technologies we have today back in the days of Thomas Jefferson, was that the Founders of our Nation understood the importance of the media and the importance of information. And the importance of it was to contribute to an informed electorate. We are talking about something very precious here.

I see a piece of legislation that will lead to way too much concentration of power, way too much concentration of power in a very, very important and decisive area of public life in the United States of America. That has to do with radio and television, and information, and who controls the flow of information.

So, Mr. President, I was hoping that some of the amendments that were introduced on the floor of the Senate that I think really would have provided the consumer protection, that would have provided regular people—I do not mean in a pejorative sense, but I mean in a positive way—with some protection and which would have assured some competition as opposed to more and more concentration of power, more and more very, very vital and important areas being taken over by just a few conglomerates. It did not happen.

I think we are making a mistake if we pass this piece of legislation. I will therefore, vote against it.

I yield the floor.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I will be very, very brief. I want to take 2 or 3 minutes if I could to congratulate the chairman of the committee, Senator PRESSLER, and the ranking member, Senator HOLLINGS, who have struggled long and through many difficult situations—and that I have been with them on—on many occasions. This is a bill that is criticized, that as a bill is easy to vote against because voting against the bill, if there is ever any problem, you can always say, ''Well, I voted against the legislation.''

I happen to feel that this bill is very important, and I rise in support of the legislation that has been deliberated on, been written and rewritten so many, many times. I would have to say that at least everyone has had their chance at an input on this piece of legislation, through what we worked on last year, reported out but never got passed, and then taken up by Senator PRESSLER when he became chairman of the committee; worked very hard and very closely with Senator HOLLINGS.

Certainly the bill before us, the telecommunications reform bill, is a good bill, although not a perfect one. A bill as complicated and as detailed as this one could be, I simply point out that it has many good features. It includes strong education provisions, including the Snowe-Rockefeller-Exon-Kerrey educational library, and rural health care discount provision.

It includes important market protections, including the farm team provisions of last year, all of which were incorporated here in the bill this year. It includes the Grassley-Exon infrastructure sharing provision. It includes the Communications Decency Act that we debated and passed yesterday. It includes a revolutionary, and I think very positive, TV ratings system. It includes a strongly needed and fair universal service language. And it abandons the one-fits-all regulation that has been a problem for a long time.

The cable provisions in this bill are still a disappointment to this Senator but were improved somewhat from the committee bill.

Final passage will take America's telecommunications industry off hold.

Mr. President, it is time to move on and pass this legislation.

I thank the Chair. I yield floor.

Mr. PRESSLER. Mr. President, I thank our friend from Nebraska for his numerous efforts on this bill as time has gone forward. He and his staff have been a key part of working on it. I thank him very much for his spirit of cooperation.

Mr. EXON. I thank my friend from South Dakota.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mrs. HUTCHISON. Mr. President, I have been listening to the speeches on the floor from the different committee members of the Commerce Committee, and it sounds like a funeral from time to time on the floor of the Senate. There are so many accolades and potential eulogies. But, in fact, I have to say that the accolades are really warranted, and it is because this bill has been so tough and so hard fought. And it has lasted for so long.

What we have seen on the floor is the tip of the iceberg. The work has been going on in committee nonstop for so many months that it is correct for the committee members who are so aware of all that has been done to be able to say job well done.

It is a job well done not because anyone feels victorious. It is a job well done because nobody feels victorious. It is a job well done because it has been a tough battle. It is because people that we respect so much, the entrepreneurs in the cable industry, the entrepreneurs in the long-distance industry, the local providers, the Bell companies that have been in business a long time but have made huge capital investments based on a regulatory scheme that now is going to be taken away—everyone in this business I respect because they are providing jobs. They are doing what we must do to continue to provide jobs in our country.

But what we are trying to do here is open the door even more. We are trying to provide more job opportunities. We are trying to provide more opportunities for the entrepreneurs in this country to go out and improve the technology and become a competitor throughout the telecommunications field.

So it has been a tough thing to balance the needs of all of these people who are out there on the front line spending their money for capital to go out and try to build a business that will make a difference for the consumers of America, that will add to the quality programming, add to the quality of telecommunications and telephone systems and video programming, and to also provide lower prices for those consumers.

So the fact that there are no victories here is a victory in itself. I think that if we look at the overall, we are only one step, but there is a finish line that we have not yet crossed. After we vote this bill out of the Senate—and I believe we will in a very short time—we are going to go to the House. The House is going to pass a bill, and there will be differences, and those are going to have to be worked out in conference. And once again, all of the entrepreneurs and all of the people who have built businesses on a regulatory scheme are going to come in and say, ''We have been treated in an unfair way.'' And we are going to have to once again do a balance between the House and Senate versions of this bill. But we must do it because technology has leapt over the regulatory environment that we have in our telecommunications industry, and we have a lawsuit that has caused deregulation by a judge, and in fact it is just not the right way to have deregulation. It does not cover enough of the area to be fair to all people concerned. The only way that we can be fair is to have everyone at the same table and everyone give and everyone take a little bit.

So while I do not agree with everything in this bill and while probably no one who is voting on it agrees with everything in it, I wish to commend the chairman, the ranking member and the members of the committee who have put their small differences aside to do something that would move forward this very important step that I think will be able to bring as much as $3 billion, maybe more, into our economy with new jobs and new opportunities and new technologies that we can then export all over the world. It is an exciting bill. It is an exciting time. It is an exciting opportunity for this Senate to take that one step forward. Let us do what we can now and be ready to continue this fight until it is finished.

Mr. President, I commend those who have worked on it, and I thank you and I yield the floor.

The PRESIDING OFFICER (Mr. GORTON). The Senator from South Dakota.

Mr. PRESSLER. Mr. President, I again want to praise Senator HUTCHISON and her staffer, Amy Henderson, for the many hours of work they have done. I am going to recognize the staff. I do not know if I mentioned this before, but our staffs met night after night and on weekends, in addition to Senators participating. But the bill would not have happened without the Senator from Texas, and I thank her very, very much.

Mr. HOLLINGS. Mr. President, let me also join in my gratitude for Senator HUTCHISON's leadership. We all on the committee worked very closely.

A moment ago my distinguished colleague from Arkansas gave me the theme that comes to mind. He concluded his observation that he was prepared to vote against the bill; that it would be a colossal mistake to pass this bill.

Let me say in a word it would be a colossal mistake not to pass this bill. I came to the Senate almost 29 years ago, and they were talking then. And I immediately got on the Communications Subcommittee, and I can see Senator John Pastore, the chairman, talking about revising the 1934 Communications Act. I worked very closely with Senator Goldwater when he was the chairman, and I have been the chairman of the subcommittee and the full committee, and we worked time and time again and we were prepared, as everyone now knows—the distinguished Senator from South Dakota, now our chairman, was working with us—in the last closing moments to pass the bill last year.

It would be a colossal mistake not to pass this bill. This bill is an excellent bill. It did not do all things, but the

truth of the matter is the experience has been, with the breakup of AT&T, that what we have now is 500 competitors in the long distance market. And with this bill by breaking up the regional Bell operating companies—this is how you legislatively, not by court order, but legislatively break up the monopolies of the local exchange—we are going to bring in hundreds and thousands of competitors. We are doing this in the most deliberate, measured fashion possible in that we appreciate that we in America have the best communications system in the entire world.

We are not repairing the communications system in that light. What we are trying to do is remove the obstruction in the middle of the information superhighway, namely, the Government. With all the plethora of rules, hearings, injunctions and precedents, we are finding now that the judicial branch is totally overwhelmed; it could not possibly deal with the explosion of this technology. No one individual could.

On the other hand, we are going to get communications policy back into the policymaking body of our Government, namely, the Congress and its administrator, the Federal Communications Commission.

We have an outstanding bill. Senator PRESSLER has done an outstanding job. I am ready, as I understand, to prepare to vote on the Dole amendment, the Breaux amendment, which will be agreed to, and then final passage.

As I stand here, I have been moved, as all Senators do, from the subject of the week—almost like Sealtest Ice Cream; we have the flavor of the week—we move to the other particular issue at hand. But staff on the other side of the aisle has been duly recognized, and I would again recognize Kevin Curtin and John Windhausen and Kevin Joseph, as well as Jim Drewry, Sylvia Cikins and Pierre Golpira, on our staff. They have worked not just during the 5 days of the week but weekends and evenings, around the clock, on and on again to keep us on a deliberate, measured, fair course of entering into competition and maintaining at the same time the wonderful universal service that we have.

There is a tremendous balancing act that is involved here, and no one should run a touchdown in the wrong direction with the idea that, yes, we could have gotten in more competition or more protection for the consumers. We have gotten in the basic competition and the basic protections that were necessary and even more.

So with that said, I hope we can move to the vote on the Dole amendment, Mr. President.

Mr. PRESSLER. Mr. President, when we receive notification from the leadership on both sides—I am certainly eager—we will vote. We are awaiting word.

I welcome all Senators who have statements.

I, too, wish to thank my friend, Senator HOLLINGS, for his great leadership. He has been working on this bill for years and years, and he got a similar earlier version through the Commerce Committee last year, where he has done a terrific job. He has been great to work with. Without his efforts, we would not have gotten this bill out of the committee or to this point. He has helped bring broad bipartisan support and has shown great courage and independence. He has done a terrific job.

Extraordinary effort has been expended on the measure's birth and ultimate passage. I have already talked about the process the staff went through in drafting this bill. This was not drafted outside of the Capitol as some have said. It was drafted in long nights and weekends by bipartisan staff working together at the direction of the Senators.

I wish to thank my committee chief of staff, Paddy Link, who has worked tirelessly on this bill. She is a first class professional without whom this telecommunications bill would not have passed. Communications counsels Katie King, who has done a terrific job in working diplomatically with the staffs of many Senators with an interest in the legislation, and Donald McClellan, who has worked days, nights, and weekends for months on this bill. Together, their efforts have helped shape this historic legislation. Special thanks must also go to staff assistants Sam Patmore, James Linen, and Antilla Trotter.

Senator HOLLINGS' staff has been enormously helpful in this effort. Commerce Committee Democratic chief counsel and staff director Kevin Curtin has been of invaluable assistance in this bipartisan effort, with his legislative drafting skills and knowledge of procedure. Counsels John Windhausen and Kevin Joseph brought their great expertise to the task; and staff assistant, Yvonne Portee. The good working relationship our committee staff has developed is the major reason we have been successful in developing a bill.

Lloyd Ator of the Commerce Committee bipartisan staff deserves thanks from both sides of the aisle for his legislative drafting skills.

Additionally, my heartfelt thanks are extended to the following staff members who have devoted substantial hours working with the committee in the process of getting this measure to the floor and passed. This is more or less the team that worked on the legislation. I used to go up and occasionally bring them some pizza. I do not know if people in the outside world realize how hard this staff on Capitol Hill works, especially when there is a major bill coming up.

I want to thank: David Wilson from Majority Leader DOLE's office for his assistance in getting the bill to the floor and for working with my staff; Elizabeth Greene, for her invaluable assistance while the bill was on the floor; Jim Weber, from the Democratic Leader DASCHLE's office for his assistance; Chip Pickering with Senator LOTT; and, Earl Comstock with Senator STEVENS. I must add that night after night, Chip Pickering helped lead a bipartisan team. Chip will someday be one of our Nation's finest leaders. Earl Comstock is one of the brightest, hard-working people I have ever encountered.

I also thank: Hance Haney with Senator PACKWOOD; Mark Buse with Senator MCCAIN; Mark Baker with Senator BURNS; Gene Bumpus with Senator GORTON; Amy Henderson with Senator HUTCHISON; Angela Campbell with Senator SNOWE; Mike King with Senator ASHCROFT; Margaret Cummisky with Senator INOUYE; Martha Moloney with Senator FORD; Chris McLean with Senator EXON; Cheryl Bruner with Senator ROCKEFELLER; Scott Bunton and Carole Grunberg with Senator KERRY of Massachusetts; Mark Ashby with Senator BREAUX; Andy Vermilye with Senator BRYAN; Greg Rohde with Senator DORGAN; and Carol Ann Bischoff with Senator KERREY of Nebraska.

Mr. GRASSLEY. Mr. President, I ask unanimous consent to speak for 10 minutes as in morning business.

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

DOD UNMATCHED DISBURSEMENTS

Mr. GRASSLEY. Mr. President, many times in the last several months, I have addressed my colleagues in this Chamber on the subject of the bad accounting system in the Defense Department and particularly the subject of unmatched disbursements, a subject that involves the principle that if you are going to spend the taxpayers' money, you ought to be able to show exactly what that money went for.

The Defense Department has accumulated several billions of dollars over the last several years in money that has been spent. It is very difficult for them or anybody else to show exactly what that money has bought: A service or commodity.

So the unmatched disbursement problem at the Pentagon has been a problem that has been simmering on the back burner for several years. Now, all of a sudden, it is on the front burner, and the pot is boiling over.

The Department of Defense is getting hammered with bad publicity about this problem. Most of the heat is directed at the Defense Department's chief financial officer, Mr. John Hamre. He is fighting back, countering with damage control, sending letters and papers to allies on the Hill. He is trying to debunk all the criticism being directed his way.

As I have said many times, I think that Mr. Hamre is trying to do a good job. I think his heart is in the right place, but career bureaucrats under him are feeding him bad information.

In a nutshell, Mr. President, this is the problem: The Department of Defense does not match disbursements with obligations before making payments. Unless the matches are made,

then we do not know how the money is being spent. Of course, this leaves the Department of Defense accounts vulnerable to theft and abuse.

DOD accounts are vulnerable to the tune of at least $28 billion. Those are not my numbers, those are the Department of Defense numbers. Mr. Hamre is desperately trying to diffuse all the criticism. Mr. Hamre says that my arguments that I have been stating on the floor over the last several months are baloney. He says the Department has, in his words, ''certified receipts for every penny spent.''

Mr. President, he said that in his latest rebuttal, and his rebuttal appears on page A15 of the June 10, 1995, Washington Post. I ask unanimous consent to print that article in the RECORD.

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

[From the Washington Post, June 10, 1995]

PENTAGON SPENDING: BY THE BOOKS

(By John J. Hamre)

Colman McCarthy's May 23 column ''The Pentagon's Accountability Problem'' so badly distorts my statements on Department of Defense financial management that the record must be corrected.

McCarthy implies that I am a naive dupe absolving government workers and defense contractors of any financial responsibility. He further suggests that our reform efforts are merely verbal smokescreens to mask business as usual. Nothing could be farther from the truth.

It is clear McCarthy did not attend the May 16 congressional hearing on which he bases his column. Had he been there he would have learned that not a penny of taxpayer dollars has been ''lost,'' as his article implies—since the crux of the matter is not ''phantom payments'' but outmoded accounting procedures.

For every disbursement he characterizes as lost, we have a validated receipt with an independent confirmation that the government received the goods and services. He also would have learned that in the past 18 months we researched and correctly accounted for $20 billion in problem disbursements inherited from a decade of defense spending. He would have learned that during the same time period we also froze more than 20,000 payments to more than 1,500 contractors until we could correct underlying accounting problems.

He would have learned that we are reversing a 25-year-old ''pay first, account later'' policy. Beginning this summer, we will match disbursements to accounting records—not just against valid, certified invoices as we do now—before payments are made. And he would have learned that we created a special financial fraud detection organization.

Unfortunately none of this was reported by McCarthy, and I am unaware of any effort on his part to attempt to gather the facts.

The public has every right to know the extent of the Pentagon's accounting problems, as well as the efforts in place to remedy them. Your readers deserve far better than McCarthy provided.

Mr. GRASSLEY. Mr. President, I want to state, where he says that ''the crux of the matter is not phantom payments but outmoded accounting procedures,'' I will agree with him on the outmoded accounting procedures, but I will not believe that that is an excuse for getting off the hook. It is designed to put us at ease, Mr. President. I think it is a neat distraction. Outmoded accounting procedures are seemingly harmless, are they not? They pose no threat, seemingly, to the security and the control of money. But that is a long way from the truth.

To assure us that no money has been lost, Mr. Hamre makes one bold assertion, and he makes it from this article. It says:

> For every disbursement he characterizes as lost, we have a validated receipt with an independent confirmation that the Government received goods and services.

I think I know what Mr. Hamre is trying to say. He is trying to say for every Defense Department payment, he has a receipt to prove that the goods and services were actually received. This was brought up in some recent testimony of Mr. Hamre on the Hill. He used form DD250 as an example of ''validated receipts''—his words. Those are his words, ''validated receipts for goods handled.''

The DOD form DD250 is called the Materials Inspection and Receiving Report. I have a copy of that here.

This particular one that I have in my hand is for the purchase of a high-powered amplifier for the Air Force Milstar satellite.

I ask unanimous consent to print this in the RECORD.

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

MATERIAL INSPECTION AND RECEIVING REPORT

Proc. Instrument Iden. (Contract): F19628–89–C–0131.

Invoice: 10030–472, 92Dec14.

Shipment No.: WAL0051.

Date shipped: 92Dec08E.

BA: D–2,424,371B.

TCN: S2206A2275A270XXX.

Prime contractor: Raytheon Co., Equip. Div. Headquarters, Hager Pond Facility, 1001 Boston Post Rd., Marlboro, MA 01752.

Administered by: DPRO, Raytheon Co., Wayside Ave., Burlington, MA 01803–4608.

Shipped from: Raytheon Co., 20 Seyon St., Waltham, MA 02254.

Payment will be made by: DFAS—Columbus Center, Attn: DFAS–CO–EB/Bunker Hill, P.O. Box 182077, Columbus, OH 43218–2077.

Shipped to: FB2049, Transportation officer, McClellan AFB, CA 95652–5609.

Marked for: FB2049, Account 09.

Item No.: H00A.

Stock/Part No.: MOD: P00017; CLIN: 0003AB.

Description: NSN: 5895–01–325–8555MZ; P/N: G287706–1; Amplifier, R.F.; Rev: BT/AV; Ref: PLG494453–21; S/N: 1005; Containers: 1 Skid; Gross shipping wt: 230#.

Quantity Ship/Rec'd: 1.

Unit: EA.

Unit price: $363,735.00.

Amount: $363,735.00.

Total: $363,735.00.

Procurement quality assurance: A. Origin—Acceptance of listed items has been made by me or under my supervision and they conform to contract, except as noted herein or on supporting documents.

Receiver's use: Quantities shown in column 17 were received in apparent good condition except as noted.

Date: Dec. 4, 1992.

Typed name and office: D Albrizio, S2205A.

Tax coding: 04–671.

Customer code No.: 53–936493–2.

Remit to: Raytheon Co., D–3007, P.O. Box 361346, Columbus, OH 43236–1346.

Mr. GRASSLEY. Mr. President, form DD250 is meant to tell us a lot. But what does it tell us? For starters, it gives us the contract number: F19628–89–C–0131.

It tells us that the Milstar amplifier was shipped on December 8, 1992.

It tells us the contractor was Raytheon, Burlington, MA

It tells us the amplifier's destination was McClellan Air Force Base, CA.

It gives us the national stock number: 5895–01–325–8555MZ.

It gives us the amplifier's serial number: 1005.

It tells us that the unit price for the amplifier is $363,735.

Remember that figure, because I am going to tell you how this item was sold for $20 in just a minute.

Finally, it tells us the name of the Government official who accepted the amplifier and certified that it met contract specs. The certifying official's name shown is D. Albrizio.

Well, Mr. Hamre wants us to believe that DD250, the form I inserted into the RECORD, is proof that the Government got what it paid for.

Now, the Air Force got the Milstar amplifier, right? No, they did not get it. We paid for an amplifier all right. Yes, we did. But we did not get it—at least not right away.

A citizen in North Carolina—Mr. Roger Spillman—got this $363,000 amplifier instead. While there is a long trail of signed certified receipts proving—and I use that advisedly—that DOD received it, the amplifier never showed up at the warehouse where it belonged.

First, it turned up as something identified as unknown overage cargo at the San Francisco terminal of the Watkins Motor Lines. Watkins had a DOD contract to deliver it to the McClellan Air Force Base. It was held there in San Francisco for 30 days. When no one showed up to claim it, it was shipped to Watkins salvage warehouse in Lakeland, FL. The Milstar amplifier was stored in the salvage warehouse for about 9 months.

Now, at that point, it was declared excess cargo and shipped to DRS, Inc., in Advance, NC, for auction. The public auction was held on October 25, 1993. The bidding started at $20. Within 45 seconds, Mr. Roger Spillman was the proud new owner of the Milstar amplifier, and it cost him exactly $75. Remember, for the original product we paid $363,000-plus.

The Air Force did not know the amplifier was missing until the owner, Mr. Spillman, called to request the instructions manual because he wanted to use it. That was almost a year after DOD officials had shown us this validated receipt of the amplifier.

Mr. President, what lesson does the case of the missing Milstar amplifier teach us? It is this: Despite Mr.

Hamre's assurances to the contrary, the form that I have been reading from today—the DD250—provides no guarantee that DOD gets what it pays for. All the form does is tell DOD what is supposed to be on the loading dock or stocked in some warehouse. It does not mean that it is really there.

The DD250 is not an internal control device.

The DD250 will not tell us whether the item received was indeed ordered.

The DD250 will not tell you whether the price paid was the price agreed to in the contract.

The DD250 will not tell you whether your accounts contain enough money to cover the payment.

The DD250 will not warn you if you are about to make an underpayment, overpayment, or erroneous payment.

To protect and control public money, then, the Defense Department must match disbursements with obligations before payments are made. That is the way it must be done.

These DD250 forms are no substitute for nitty-gritty accounting work.

If Mr. Hamre wants to do effective damage control and silence his critics, then he needs to go back to the drawing board. He needs to find a device that addresses the source of the criticism. These forms—the DD250's—miss the mark, and miss it completely. The DD250's do not protect and control the people's money.

Mr. Hamre is the DOD comptroller, and he ought to know all these things.

Mr. President, I yield the floor and yield back any time I may have.

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

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

TELECOMMUNICATIONS COMPETITION AND DEREGULATION ACT

The Senate continued with the consideration of the bill.

AMENDMENT NO. 1283, TELEVISION CONTENT

Mr. DODD. Mr. President, I rise to address the issue of television violence, which we debated earlier this week in the context of this telecommunications bill. I opposed the Lieberman-Conrad amendment on this subject, but I strongly supported the Simon-Dole sense of the Senate amendment. I want to take this occasion to briefly sketch out my thinking on this subject.

I completely agree with my colleagues about the terrible effects of television violence on our children. The average American child witnesses 8,000 murders and 100,000 other acts of violence on television by the time he or she finishes elementary school. That is simply unacceptable. The American Medical Association, the National Commission on Children and other interested groups and individuals have spoken persuasively about the effect of this incessant violence on our children.

I believe that something must be done about this terrible problem, but I also believe that it should be up to parents and the industry itself to accomplish that end. This is an area where I do not believe Congress should be mandating a solution. Especially in the context of this deregulatory bill, we should not be creating federal commissions to promulgate highly prescriptive new rules in areas we should stay out of.

I was also concerned about some of the vague language in the Conrad-Lieberman amendment. It refers, for instance, to ''the level of violence or objectionable content.'' We might—might—be able to come to agreement on a definition of ''violence,'' but I do not see how we could reach a consensus on the meaning of ''objectionable content.'' Everyone would have a different view.

As consumers and parents, we must all do a better job of turning the dial when programming to which we object comes across our television set. If that were to happen in large numbers, the market would dictate a dramatic improvement in television programming.

I supported the Simon-Dole sense of the Senate amendment, which calls on the industry to police itself but does not establish an unprecedented set of onerous government rules. I think this represented a more sensible approach to this problem.

AMENDMENT NO. 1325

Mr. DODD. Mr. President, I rise in support of Senator WARNER's amendment requiring Bell operating companies to fully disclose their protocols and technical requirements for connection with their facilities. This is a complex, technical issue, but it is a critical safeguard as the Bell companies move into manufacturing.

Section 222 of the bill before us applies the same competitive check list to Bell entry into manufacturing as it does to entry into long distance services. I have been concerned, however, by the fact that the legislation carves out a major exception for manufacturing research and design activities. This exception would allow Bell companies to commence these activities almost immediately.

Research and design is one of the most expensive phases of the manufacturing process, and it often holds the key to the end success of the product. But under S. 652's provisions, Bell companies would be able to engage in such activities before they face competition. This could open the door to cross-subsidization, unfair use of privileged information about RBOC network interfaces and other monopoly abuses that could decrease competition in the already competitive telecommunications manufacturing industry.

I have argued that the simplest solution to this problem was to delete the bill's exception for research and design activities. But this solution proved unacceptable to the bill's managers, so instead I supported Senator WARNER's efforts to add important safeguards.

Senator WARNER's amendment would ensure that the public network remain open and accessible to independent manufacturers. By requiring disclosure of technical specifications and planned changes in those specifications, the amendment would prevent Bell companies' manufacturing subsidiaries from gaining exclusive or early access to the kind of information that is the lifeblood of telecommunications manufacturing.

Independent manufacturers do not fear competition from Bell companies, so long as that competition is fair. Senator WARNER's amendment makes a great deal of progress in the effort to ensure fairness, and I hope we can build on this progress to make further improvements as this bill moves to conference.

I thank Senator WARNER for his leadership on this important issue, and I also thank Senators HOLLINGS and PRESSLER for agreeing to accept this modest amendment.

Mr. BINGAMAN. Mr. President, today we have had an historic opportunity to vote on a sweeping revision of the 1934 Communications Act, an act which is now, over 60 years after its original passage, woefully out of date. We tried last Congress to revisit this legislation but we were unable to bring the matter to the floor. I am glad that we have had a chance to consider this legislation on the floor this year. I hoped to be able to vote for it. We owe it to the people of this country to modernize the laws which govern telecommunications services and to do so in a way that promotes competition among the companies attempting to provide those services, and thus provide American families with more and better services at lower prices.

This legislation serves the first purpose—that of modernizing the law to reflect the many changes in technology since 1934.

However, there is a real question as to whether the end result will be more competition. On the contrary, I believe that the result of this bill may be more concentration of power in the market. I do not believe American families will benefit from this concentration.

I would like to believe what I have heard on the floor over the last week: that true competition will ensue from this bill, and the result of that competition will be a new world of innovative products at affordable prices. Nevertheless, I fear that the flaws in this bill will likely defeat those hopes. Accordingly, while I would like to be able to vote for this bill, I cannot.

I am a longtime student of technology and of telecommunications. I know what benefits they can bring. I have promoted State and Federal support for technology in the classroom and I have sponsored legislation to provide that support. I am proud to have

been an early and eager supporter of the Snowe-Rockefeller-Exon-Kerry language in this bill which will, for the first time, make access to telecommunications services by schools, libraries, and rural health care providers affordable. I am especially proud that the Senate approved this aspect of the bill.

But there are a series of amendments to this bill which I had hoped would pass and which would have made this bill what I had hoped it could be and what I think the American consumer deserves.

First, and foremost, I was disappointed that the efforts of my colleagues from North Dakota, Senator DORGAN and Senator THURMOND of South Carolina, to bring the Department of Justice into the process, were defeated. I fear that this bill—without the amendment to give the Department of Justice a more active role—may lead to abuses and more concentration in the long distance market. There are serious issues competition issues raised by the entry of the Bells into long distance, yet we have given the Nation's expert competition agency, the Department of Justice, a toothless role. The Department of Justice has long and deep experience with this market and with these competitors. It is the best positioned entity to evaluate the many issues which are going to arise as new entrants seek access to the local exchange networks controlled by these companies. In my view, only the Department of Justice can assure that what is billed as competition does not become concentration to the detriment of the American consumer.

I also have concerns about the potential for concentration in the cable market which this bill presents and the potential for greatly increased cable rates for consumers in rural areas where competition is unlikely to exist in any meaningful way. The marketplace will very likely bring lower prices and greater choice to consumers in urban and affluent areas. But in many parts of the country, and in much of my State of New Mexico, the marketplace will do little. We have seen in airline deregulation how rural consumers are treated. I hope that that does not happen in the cable marketplace as well. If it does, and we shall see in the next few years, Congress should revisit this issue to provide the protections which I would have liked to see this bill today.

Other amendments, such as the ones offered by the Senator from Nebraska, [Mr. KERREY], to put a consumer representative on the universal service board and to restrict cross subsidization by public utility of services, were defeated. Other amendments designed to keep some reasonable limits on broadcast ownership were also defeated.

Taken as a whole, this bill, while up-to-date, seems to be to anticonsumer and anticompetitive. I foresee an increasing concentration in the telecommunications industry with increasing prices for consumers with little increase in choice or innovation for those living in rural America. I hope that I am wrong. I hope that this bill can be improved in the conference. If it is, I will be happy to vote for it when it returns to the floor. In its present form, however, I must vote no.

Mr. LEVIN. Mr. President, I will vote for S. 652, the Telecommunications Competition and Deregulation Act of 1995, because a myriad of technological innovations over the past few years have made the current regulatory system obsolete.

New rules are needed to acknowledge and encourage competitive innovative technological developments which will enliven the marketplace and offer the consumer greater choice and new technologies. However, these regulatory changes should be done in a way that maintains adequate protections of the public interest.

There are several issues that concern me regarding S. 652.

My first concern is with the lack of a Department of Justice role in determining when the Baby Bells should be allowed into the long distance market. I believe a specific Department of Justice role is needed to ensure that existing monopoly powers are not used to take advantage of the new markets being entered.

It's reasonable that such broad and unprecedented telecommunications deregulation should include reasonable oversight of potentially anticompetitive behavior in an industry where a few giants could control large segments of the various markets.

Without a specific Department of Justice role, there is a greater risk that the monopolistic and concentrated businesses will increase and we will not achieve the competition that this bill promises. If this happens, American consumers will be the losers.

I supported the Thurmond-Dorgan compromise amendment which would have provided the Attorney General a simultaneous role with the FCC in approving a request by a Bell company to provide long distance service providing that action would not substantially lessen competition, or tend to create a monopoly. Unfortunately, that amendment was not adopted.

I hope, therefore, that the House will move to adopt a Department of Justice role so that this issue can be revisited in conference.

My second concern regards the cable rate deregulation provisions of the bill. In 1992 Congress passed a comprehensive cable act in response to a strong public outcry about skyrocketing cable rates. This bill undoes much of the good that bill accomplished in slowing down cable rate increases and in many cases reducing cable rates for Americans. This bill deregulates all but the basic tier of cable television and in so doing runs the very real risk of resulting in increased cable rates for Americans which is contrary to what Congress attempted to do just 3 years ago in the 1992 Cable Act.

I am also concerned that the bill allows for the preemption of local rules and regulations relating to the management of local rights-of-way. I supported the Feinstein amendment to remove the provision in S. 652 which would preempt local control of the public rights-of-way. Unfortunately, that amendment was defeated. A weaker alternative was accepted which modified but did not eliminate language in the bill allowing for the preemption of local regulations. The Feinstein amendment would have eliminated the preemption capability of the FCC altogether.

I believe it is important that we in Congress pay proper recognition to the rights of local government and I am disappointed this bill does not adequate do that.

The telecommunications bill before the Senate today will have a huge impact on our economy and on the lives of every single American. I believe the telecommunications reform is both necessary and important. But equally important in that process are the necessary checks and balances to protect consumers and discourage monopolies. While I will vote for this bill because I recognize that telecommunications reform is long overdue and must move forward, I am not convinced this bill contains adequate checks and balances. I hope the House will be able to add those back into the bill and I reserve judgment on whether I will support a final conference report.

Mr. BAUCUS. Mr. President, I rise today in support of the Telecommunications Competition and Deregulation Act of 1995.

Over the last week I have heard many of my colleagues address this legislation. One statement is common to their remarks. This legislation will touch, indeed will impact, a significant portion of our economy. It will be felt in one way or another in each of our lives.

Of the many advances in our society of the past century, telecommunications is among the most pervasive. Our movement into this information age has yielded tremendous changes in our lives. The ability to communicate around the globe instantaneously has helped us become part of a global marketplace. It is an advance from which there can be no retreat.

I believe that we all benefit when competition is enhanced. Retaining a competitive edge has been quite difficult as we have forced technology of today to fit the restrictions of yesterday's regulations. The potential for continued improvement in these industries is tremendous. This bill should usher in new products, better prices, and more choices in the services which consumers demand in Montana and across the country.

Mr. President, the development in the personal computer, and even the

hand-held calculator before it, is a tangible example of what I expect in telecommunications. In the past 30 years, these technologies have become commonplace. In fact I can't imagine life without them.

The development of telecommunications technology has been no less dramatic. And with this legislation, we advance the ball. While this bill fails to satisfy my entire wish list, I believe it leaves us better than before. But we still have work to do and as legislation moves through the House and into conference, I am confident we can improve this bill.

In recent days we have voted on changes designed to improve the measure. The amendment offered by Senator CONRAD will encourage television manufacturers to include computer technology allowing parents to prevent objectional material from entering their home. I supported that measure and I believe it is important in this bill.

An amendment offered by Senator EXON protects against harassment, obscenity, and indecency to minors via telecommunications devices. Together, these two amendments will go a long way toward protecting our youth from harmful material. There has been some public comment on this topic recently and I believe these amendments are what Montanans want in this kind of legislation.

Finally, I want to go on the record in stating my belief that passage of this measure does not finish our work in this area. Granted, this legislation has been a long time coming. But we now have a serious responsibility to conduct congressional oversight over this legislation. As we work to construct the information superhighway, we must make certain that the system works.

I don't want a system which is a restrictive entry highway. And I don't want a toll road where nobody can afford the fare. And I want to make certain that in Montana, my constituents have access to the benefits of this technology. I will be watching to see that this effort succeeds and I stand ready to step in if intervention is needed.

But Mr. President, this bill has strong support. I have heard from broadcasters, small business owners, and those in the telecommunications industry in Montana. And all these groups want this legislation to pass. I share their desire to help the best telecommunications system in the world leap forward into the next century and I will cast my vote in favor of this measure.

Thank you, Mr. President. I yield the floor.

Mr. MOYNIHAN. Mr. President, I rise to state my reasons for opposing the Telecommunications Competition and Deregulation Act of 1995.

Yesterday the Senate adopted amendment No. 1362 by a vote of 84–16. The amendment purports to prohibit computer transmission of obscenity and indecency. I voted ''no'' out of concern that we were taking this action improvidently and without adequate consideration for its significant constitutional and practical implications.

In 1973, the Supreme Court in Miller versus California, and in several subsequent decisions, held that the Constitution does not protect obscenity, which the Court defined as material that appeals to ''prurient interests'' or is ''patently offensive.'' The government accordingly has the authority to regulate obscenity, and properly so. But we must do so with care.

The amendment attempts to apply existing laws against obscene and harassing telephone calls to computer transmissions. Regrettably, the language of the amendment is too broad, raising serious questions of constitutionally under the first amendment. For example, the amendment could reasonably be interpreted to prohibit an individual from sending an annoying e-mail message. The penalty for such a transgression: a fine of up to $100,000 or up to 2 years in prison—or both. And, as was noted by Senator LEAHY and others during the debate yesterday, the amendment likely makes unlawful on computers materials that are perfectly lawful in books or letters. I suspect the courts will take a dim view of this provision when it is challenged, which it surely will be.

Similarly problematic is the failure of the amendment to recognize the difference between telephones and the unique characteristics of computers. In order to view the kinds of lewd and lascivious material complained of by the proponents of the amendment, an individual must take numerous affirmative steps to gain access to it via the online services where it can be found. I grant that this is not terribly difficult for one who is computer literate, but the fact remains that in order to look at this material on the computer, you have to actively seek it out. It does not just pop up on the screen when you turn it on. One who looks for and then views such material on his or her computer is in a very different position than a victim of obscene telephone calls. Yet the amendment fails to recognize this distinction.

I am also troubled by the Senate's action on another amendment to this bill. This afternoon, by a vote of 67–31, the Senate tabled the Lieberman amendment to retain cable television rate regulation. Senator LIEBERMAN knows the subject of cable rate regulation as well as anyone, having fought cable rate increases in Connecticut in the 1980's when he was State attorney general. He predicts that, without the reasonable rate restrictions in his amendment, cable TV rates will surely rise as a result of this bill. I am afraid he is right. Cable rates rose sharply after Congress lifted rate regulations in 1984, and they are likely to do again if we pass this legislation. This is why I supported the Lieberman amendment, and why I believe it was a mistake for the Senate to defeat it.

For this and for the other reasons I have given, I will vote against the Telecommunications Competition and Deregulation Act of 1995.

THE DOLE AMENDMENT ON CABLE VOLUME DISCOUNTS

Mr. KERRY. Mr. President, we are faced here with a very unfortunate situation. Senator DOLE has offered an amendment to address a significant public policy matter raised by S. 652 as reported by the Commerce Committee, and that amendment has become entangled in a dispute that goes to the way the Senate deals with those who do business in areas affected by legislation upon which the Senate acts.

I must say that I am distressed by the appearances of what has occurred regarding the interactions of two cable programming providers with the chairman of the Commerce Committee. While I have not been involved at all in—or even knowledgeable about—these interactions, and believe according to what I have been told that there may be more inadvertence and clumsiness in evidence here than anything else, it is unfortunate for all involved that some evidently see this as a case where inappropriate pressure has been brought to bear in such an interaction.

Regardless, and without in any way acting as judge and jury and attributing blame, I will say unequivocally that I do not believe that the proper way for elected officials and business executives to interact is for elected officials to threaten businesspeople with injurious legislation if they do not comport their business activities with the policy desires of those elected officials, nor for businesspeople to threaten elected officials with business actions deemed undesirable by the officials if those officials fail to take legislative actions favored by the businesspeople. Further, the way I have always understood the concept of honor, a deal's a deal, and starting with the assumption that honorable elected officials should make only deals that are in the public's interest, both those officials and businesspeople who enter into agreements ought to honor those agreements.

Having said these things, when the day is over here, what really counts in my judgment is the public policy that the Senate makes, and the effect it has on our Nation and its people. I think it is important that we keep our eye on the ball here, and by that I mean I think we should cast our votes on this amendment based on the public policy impact of the policies those votes will determine. It is on that basis, rather than with reference to the regrettable dispute that has emerged concerning what has preceded the offering of and voting on this amendment, that I cast my vote on the amendment.

Many of the decisions with which this body must grapple are not simple, where two courses, one black and the other white, present themselves and all

we have to do is choose the easily discernible right course. Many decisions we make have multiple and varying implications, and we are forced into the position of playing Solomon to mediate disputed interests and needs.

Such is the case here, Mr. President. On the one hand none of us to my knowledge wants to act in a way that will deprive persons in rural areas or other areas served by small cable systems of programming that those who live in areas served by large cable systems can enjoy. On the other hand, we should approach extremely seriously any decision that could result in the government imposing controls on the free marketplace, especially a decision that leads to price controls. There have been situations in our history that have warranted such actions, but they are the exception, not the rule.

Mr. President, I do not believe that the circumstances of the cable industry warrant imposing what amount to price controls on those who provide programming. Yes, I do believe that those programming companies should deal responsibly with all cable operators who wish to purchase their products. But no, I do not believe that in this industry the Government should prohibit practices of volume discounting or other methods of pricing that are employed in virtually every industry in our Nation, whether it be selling shoes or cabbages or long distance phone service.

So, Mr. President, before I had heard anything about the dispute concerning the agreement that did or did not exist between Time-Warner and Viacom and the chairman of the Commerce Committee, I had concluded that I should vote for the Dole amendment. Now that the dispute has surfaced, I continue to believe that the correct public policy is reflected in the Dole amendment, and I will vote for that amendment for that reason.

Mr. DORGAN. Mr. President, the Senate votes today on a very important piece of legislation, the Telecommunications Competition and Deregulation Act of 1995. There is no question in my mind that telecommunications reform legislation is needed. The communications laws in this country are without a doubt antiquated and the Congress must take action and pass telecommunications legislation.

I am sad to say, however, that I cannot support the legislation the Senate is voting on today. This bill, in my judgment, could be more accurately described as the ''telecommunications concentration act'' rather than the ''telecommunications competition act.'' Unfortunately, this legislation, in its present form, is going to lead to greater concentration in the telecommunications and media industries—which is antithetical to competition.

Robust competition is the driving force of our free market economy. Competition offers consumers lower prices and wide ranging services. True marketplace competition also eliminates the need for regulation. If our goals are to ensure that consumers receive advanced telecommunications and media services at competitive prices and to free the industry from government regulation, competition is our means to that end. But it must be true and fair competition.

This is where this legislation misses the mark. There are two key areas of this legislation that lead me to the conclusion that existing competition in telecommunications is in jeopardy: First, the conditions under which regional Bell operating companies [RBOC's] may offer long distance services; and second, the liberalization of broadcast ownership rules.

This legislation, mistakenly in my judgment, deregulates both the television and radio broadcast industries at the risk of promoting greater concentration at the expense of competition. The bill raises the national audience cap from 25 to 35 percent and eliminates the 12 station limit on TV broadcast ownership. It also eliminates ownership rules on radio ownership. Liberalization of these limits runs absolutely contrary to the goal of promoting competition. I am convinced that if these changes are enacted, the media industry in this country will be controlled by a handful of conglomerates in future. The long-held principles of localism and diversity will suffer.

I offered an amendment, unsuccessfully, to strike the provisions liberalizing the ownership limits in the bill. Under my amendment, the FCC would have been instructed to review and modify its broadcast ownership rules to ''ensure that broadcasters are able to compete fairly with other media providers'' while ensuring that diversity and localism are protected. The amendment would have maintained the current limits while directing the FCC to review and modify the ownership rules on a case-by-case basis.

At the heart of this issue is the relationship between the networks and the local affiliate stations. Raising the national ownership limits would represent a drastic shift in power from the local affiliate stations to the national networks. The provisions in the bill; including the Dole amendment, threaten local media control—both in terms of programming and in terms of news content—in favor of national control. The change will remove the ability of local stations to make local programming and news decisions—such as preempting network programming in favor of local news, public interest, and local sports programming.

The change would also mean that station managers will not be able to stop network programs he or she believes is inappropriate for the local market. When the networks buy up the affiliates, the networks will be able to dictate the terms of the affiliate/network relationship. The networks will leverage their power over affiliate preemption of network programming, conduct of news divisions, and the moral tone of network entertainment. The change proposed in broadcast ownership rules under S. 652 will turn locally owned stations into extensions of large multimedia companies and will result in the nationalization of television programming and the demise of localism and local program decisions.

The bill's changes to broadcast ownership rules will lead to greater concentration of the media—a concentration towards the national networks. The fact is that the present limits help preserve competition. Fox television would not be the fourth network today if it were not for the existing limits on ownership. The current limits are what made it possible for Fox Broadcasting to develop so quickly because there were affiliates available in media markets that were not owned by the established networks with whom Fox had to compete with to build a market for itself.

Proponents of removing the ownership limits have a single purpose—to reduce the number of people participating in broadcasting ownership. The current limits permit small companies to own stations in large markets. Because the existing limits ensure that concentration is limited and entrepreneurial efforts in broadcasting are possible. Elimination of ownership limits will make it more difficult for minority participation in broadcast ownership—something the FCC has been trying to promote for years is more minority ownership. This bill would send a blow to that effort.

Will the local television landscape be better off if the local television stations are controlled by the national networks in New York and Hollywood instead of by stations in Bismarck or Wichita? Will there be less violence on TV if there is more national control? I do not think so. In fact, I expect that these problems will get worse.

This bill will rob local stations of the opportunity to say no to network programming that local station managers think is inappropriate for their local communities—where they themselves live. If the national networks are permitted to own a substantial portion of the local stations in the country, then all programming decisions will be made in Hollywood and New York, without regard for the concerns of local communities. Make no mistake about it. The bill's provisions represent nothing short of a power grab on the part of the national networks under the guise of deregulation. The proposed changes to the ownership rules would concentrate power in the hands of the networks and would be anticompetitive.

Another unsuccessful amendment I offered with the senior Senator from South Carolina relates to what is perhaps the most contentious battle in the development of this legislation: the conditions under which the RBOC's

would be permitted to offer long distance services. One of the major reasons why I cannot support this bill is because it does not provide for an adequate role for the Department of Justice to ensure that competition in the long distance market is protected when an RBOC that controls the local loop is permitted to enter what is already a competitive market.

Under the bill in its present form, an RBOC need only apply to the FCC to enter long distance services. The FCC would utilize a public interest standard and determine that the RBOC has completed the competitive checklist. The bill provides only for a consulting role by the Justice Department.

Mr. President, it seems to me that the debate over this legislation has been turned upside down. The fact is that the fundamental policy goal confronting the Congress as we develop telecommunications reform legislation is how do we employ competition in markets which are currently controlled by regulated monopolies, such as the local exchange. The fact is that the long distance market is a truly competitive market. We risk damaging that competitive market if the RBOC's are permitted to enter the long distance market prematurely. Our goal should be to promote the same level of competition in the local exchange that currently exists in long distance. Unfortunately, this bill is weak on incentives that would promote local competition and it also threatens to damage the competitive long distance market.

It was the Justice Department that investigated and sued to breakup the Bell system monopoly—which resulted in making the long distance and manufacturing markets competitive. If the local exchange networks are going to be vertically reintegrated with long distance service, there is a danger that entry by RBOC's could impede competition and unravel the progress made over the past decade in promoting competition since the breakup of the Bell system. DOJ has a unique role to assess whether the conditions for meaningful competition are present.

The experience of airline deregulation shows that the protection and promotion of competition is not accorded enough weight when DOJ has only an advisory role. In the case of airlines, mergers that were approved by the Department of Transportation over the objection of DOJ, the result was monopolization of certain hubs and higher ticket prices for consumers.

A DOJ role would avoid expensive AT&T-type antitrust suits in the future by making sure that competition is safeguarded in the first instance. RBOC enter that occurs without assurances that it will not impede completion will invites complex litigation, which will consume resources better spent on competing. Having DOJ apply a marketplace test as a condition to entry will help avoid wasted litigation.

Since the breakup of the Bell system, long distance rates have dropped 66 percent and the long distance competitors have constructed four nationwide fiber optic networks—the backbone of the information superhighway.

It cannot be assumed that a series of specified steps will result automatically and inevitably in the development of local exchange competition. Potential barriers to competition are sometimes subtle and overcoming these barriers is a very complex task. Congress cannot hope to successfully specify in advance a set of conditions that will provide answers to all issues before meaningful competition is a reality. The only way to ensure true competition is to look at actual marketplace facts and DOJ must provide this role.

A series of specified steps—for example, the competitive check list in Section 255—is not by itself sufficient to bring real competition to local markets. The RBOC's must have a positive incentive to cooperate with the development of competition.

Monopolists have proven themselves adept at erecting new barriers faster than old ones can be identified and dismantled. Complete elimination of barriers to competition will occur only if the monopolists have positive incentives to cooperate with the introduction of meaningful competition. The RBOC's will have such incentives when the check list is supplemented by a process that ensures application of real competitive analysis to actual marketplace facts.

I still hope that these areas can be perfected in the conference committee. Unless these two areas are addressed, this legislation will do more to harm competition than to promote it. That would not be in the public interest and I hope that the Congress will not make that mistake.

Although there are serious problems with this legislation, I do believe that some provisions in this bill I strongly support. This bill contains some very important provisions that would preserve universal service and ensure that rural areas will have access to advanced telecommunications services. I have worked long and hard with many of my colleagues on the Senate Commerce Committee to ensure that universal service will be preserved as competition is introduced into local exchange service. The provisions in the Senate bill with respect to universal service are vitally important to rural areas and it is my hope that if these provisions will be retained in the conference committee.

In conclusion Mr. President, I would ultimately like to vote for this legislation. Unfortunately, I cannot in its present form. As I said earlier, this legislation will not adequately promote competition. Rather, it will have the opposite affect: concentration. I urge the managers of the bill and all those Senators who have spoken with such passion about promoting competition to work to improve this measure so that we can truly call it the Telecommunications Competition and Deregulation Act.

RESTRICTING CABLE-TELCO IN-REGION BUY-OUTS

Mr. LEAHY. Mr. President, I want to note an important amendment that has been made to the telecommunications bill.

As introduced, the telecommunications bill modified our outdated law that bans cable companies and telephone companies from offering the service of the other. With digital and other new technologies being developed, the demarcations between the businesses of telephone and cable service is blurring.

It is about time for Congress to update the law to catch up with the new convergence in video, computer, and telephone technologies.

But by repealing the telco-cable cross-ownership ban altogether, the telecommunications bill, as reported, failed to impose any limits on the ability of telephone companies to buy out cable companies—their most likely competitor—in the telephone companies' local service areas. Allowing such mergers would destroy the best hope for developing competition in both local telephone service and cable television markets.

Without the protection of an antibuyout provision, consumers would be deprived of the lower cable and telephone prices that would result from two-wire competition.

Because of these concerns, the distinguished chairman of the Antitrust Subcommittee, Senator THURMOND, and I sent a letter to our colleagues a few weeks ago detailing the reasons why standard antitrust scrutiny would not be enough to preserve the potential competition between telephone and cable companies.

The leadership package of amendments adopted last Friday took seriously the concerns that we expressed, and provided some antibuyout restrictions to prevent telephone companies from merely substituting one video service monopoly for another.

The amendment restricting in-region buyouts improves this bill and promises to benefit consumers by promoting greater competition in the delivery of video services, increasing the diversity of video programming, and advancing the national communications infrastructure.

In particular, the amendment eliminates ambiguity and makes clear that the antitrust enforcement authorities will maintain their authority to challenge anticompetitive buyouts under the antitrust laws.

Even when the FCC has decided that from its perspective that the telco/cable buyout is acceptable, or when the buyout comes within the rural exception, standard antitrust scrutiny may still be applied.

The amendment maintains the specialization and expertise of the antitrust authorities—the Justice Department and the Federal Trade Commission, as well as State antitrust authorities—in determining whether a buyout would violate the antitrust laws and harm consumers.

This amendment is necessary to help promote the competition we want to develop between cable and phone companies, with the hope that prices for both services will be lowered for consumers, while their options and choices increase.

CHOICE CHIP

Mr. CONRAD. I am very pleased my amendment was accepted by such a wide margin on the Senate floor. The choice chip could be a very important tool for parents to help protect their children from the violence that is all-too available on television. I am hopeful that the Senate-House conferees will see the value in this approach and retain my amendment. However, I deeply regret that I will have to vote against S. 652, even though it contains an amendment I sponsored.

I have deep concerns about the approach this bill takes, in the name of competition, by removing protections that currently safeguard against media concentration. Diversity of opinions and voices is at the very heart of our democracy. I believe this bill creates the potential to stifle many of those voices in our media by greatly consolidating broadcast ownership in this country.

My colleague, Senator DORGAN, offered an amendment earlier this week that would have prevented a single television owner from concentrating ownership above the current, reasonable limit of 25 percent of the national audience. This bill raises that limit, and initially the Senate agreed that was a dangerous precedent. Then politics took over and the Dorgan amendment was defeated.

Today, an amendment by Senator SIMON which would have restricted radio station ownership to a very reasonable limit of 50 AM and 50 FM stations was tabled. The bill, as it stands, eliminates virtually all ownership restrictions. That simply does not safeguard the diversity of voices that democracy requires.

I am also concerned that cable television rates for consumers will rise under this bill. An amendment by Senator LIEBERMAN to keep rates in check before real competition is in place was also tabled today. I believe it is a mistake to pass a bill that includes the word ''competition'' in the title but does not safeguard consumers in the absence of competition.

Finally, I have concerns about rebuilding the telephone monopoly that the Department of Justice and the Federal courts rightly ended. Now, the Department of Justice, the very agency which protects Americans from antitrust practices, will not have a role beyond consultation in preventing a potential monopoly from being reestablished. I supported what I believed was a very reasonable amendment from Senator DORGAN and THURMOND to apply a time-honored antitrust standard to any application to enter long distance. That amendment was defeated.

I hope that the final report from the Senate-House conference is a bill that truly promotes competition, while also safeguarding the interests of the consumers before competition arrives. I do not believe this bill meets that goal, and I regret that I cannot support it.

AMENDMENT NO. 1421

Mr. LEAHY. Mr. President, I seek to clarify a part of the Leahy-Breaux amendment (No. 1421) on intraLATA toll dialing parity that was adopted yesterday. As the amendment states, the joint marketing provision in subparagraph (iii) of the amendment applies only in those States that have implemented intraLATA toll dialing parity during the relevant period and to telecommunications carriers in those States offering intraLATA services using ''1+'' dialing parity. The prohibition on joint marketing however, was not intended to apply to telecommunications carriers offering intraLATA services that do not make use of ''1+'' dialing parity. That is my understanding of the Breaux-Leahy amendment. Is this consistent with your understanding?

Mr. BREAUX. Yes.

AMENDMENT NO. 1367

Mr. HEFLIN. Mr. President, I rise to make a comment relative to the amendment I successfully offered earlier today to the provision of the bill addressing cable-telephone company mergers and alliances. I understand that some concern has been expressed that the effect of the amendment may be broader than intended. I do not intent that this amendment have broad effect or undo the carefully crafted buyout limitations agreed to previously. I look forward to working with the managers and conferees as we move forward to make any language changes necessary to ensure that the amendment has only the narrow effects intended.

FEES IN LIEU OF FRANCHISE FEES

Mr. PRESSLER. In part, section 203 of the bill adds a new subsection to the 1934 Communications Act that would permit the collection of fees from providers of video programming in lieu of franchise fees. It is my understanding that this requirement does not permit local or State governments to impose such fees on direct-to-home satellite services. Is this correct?

Mrs. HUTCHISON. Yes, the intent of the subsection to which you refer, which authorizes fees in lieu of franchise fees, does not apply to the direct-to-home satellite industry. However, nothing in section 203 is intended to affect whether direct-to-home satellite services are otherwise subject to other taxes or fees under current law.

Mr. DODD. Mr. President, I rise in support of S. 652, the Telecommunications Competition and Deregulation Act. This bill is far from perfect, but on balance I believe it will be a plus for American consumers and the American economy.

We now find ourselves in a highly competitive, global economy, and telecommunications is an increasingly important part of it. In order to keep up in this booming sector, it is imperative that the United States replace a regulatory structure crafted in the 1930s with one suitable for the 21st century. This bill represents an important step in that direction.

The communications industry is a $1 trillion segment of our economy, and it is among the fastest growing sectors. This boom is not widely understood, but it has tremendous implications for consumers and business.

This trend is being driven by a variety of factors, foremost among them technology. Old copper phone wires can only carry a handful of conversations at once. But one fiber optic cable can carry 32,000 conversations at once. New services can be sent to the home or office over fiber optic cable at virtually zero marginal costs to the producer.

An incredible array of companies has a stake in the emerging communications marketplace—both obvious and surprising players. Consumers can only benefit from the stepped up competition if we break down the walls that now separate cable companies, local phone companies, long distance firms, electric utilities, satellite firms, radio and television broadcasters, cellular companies, computer companies, and Hollywood studios.

With passage of this bill, we hope that companies in all these areas will eventually invade each others' territory, providing consumers with a multiplicity of new choices and creating jobs along the way. Some reports estimate that true competition in all sectors of the telecommunications industry could create 3.6 million jobs by 2003.

We cannot even imagine much of what will eventually be available to consumers in this area. Among the possibilities are movies on demand, interactive home shopping, home banking, interactive entertainment and the ability to take classes and talk with the teacher from home.

The break-up of the old AT&T monopoly in 1984 is the best case study in the benefits of competition in communications. We all remember the time when there was no choice in long distance—no price competition, no incentive to improve quality, no innovative new services in long distance.

But since the break-up of AT&T, 30 million Americans switch long distance carriers a year, and long distance rates have fallen 60 percent. Five hundred companies now offer long distance service.

There is now a wide consensus about the need to further unleash these technological and market forces for the

benefit of consumers. It is imperative that we update Federal communications policy to allow this to happen. We are still operating under the Communications Act of 1934. That should speak for itself.

And since 1984, much of the communications industry has been regulated by one man—Judge Harold Greene, who oversaw the AT&T break-up and who continues to oversee the consent decree that governs the behavior of the Bell operating companies. He has done an admirable job, but it is time for Congress to reenter the game.

That is what this bill represents. As I mentioned before, I supported a number of important amendments that did not pass. I believe the Justice Department should have a formal role in deciding whether Bell Companies should be allowed to offer long distance. The Antitrust Division at Justice has the expertise to assess a market and to prevent monopoly abuse.

I also supported my colleague from Connecticut, Senator LIEBERMAN, in his effort to strengthen the cable rate regulations in this bill. The leadership package of amendments we passed last week included some additional protections for cable consumers. They represent a considerable improvement over the cable provisions in the bill as reported out of committee. Like Senator LIEBERMAN, however, I wish we could have gone further.

I hope that the remaining problems with this bill can be corrected as the House considers its version and the two chambers meet in conference. Furthermore, if problems develop on cable rates or other matters down the road, Congress can revisit the issue and make improvements at that time.

I commend Senators PRESSLER and HOLLINGS on all of their hard work on this bill, which I think will provide a shot in the arm for our economy.

Mr. KERRY. Mr. President, the United States and, indeed, the world have embarked upon a new technological revolution. Like previous revolutions sparked by technological innovation, this one has the potential to change dramatically our daily lives. It will certainly transform the way we as humans communicate with each other.

What we are witnessing is the development of a fully interactive nationwide communications network. It has the potential to bring our Nation and our world enormous good; without appropriate ground rules to assure fair competition, however, this revolution could create giant monopolies. The communications policy framework we create in this legislation will determine whether many voices and views flourish, or few voices dominate our society.

The impact of this new age communications revolution on the way we send and receive information, and the way we will view ourselves and the world, is profound. Even more staggering is its potential impact on our economy. We could be seeing the largest market opportunity in history. Some forecasters, including the WEFA Group in Burlington, MA, predict a January 1996 opening of the telecommunications market to full competition would create 3.4 million new jobs, increase GDP by $298 billion, save consumers nearly $550 billion in lower communications rates and increase the average household's annual disposable income by $850 over the next 10 years. As the Communications Workers of America have underscored, delaying free and fair competition means fewer new high-wage, high-skill jobs.

New technologies and industries seem to be emerging and merging almost daily. They range from such sectors as entertainment and education to broadcasting, advertising, home shopping and publishing. One key player in this revolution is the Internet—the global computer cooperative with a current subscriber base of approximately 20 million and a 10 to 15 percent monthly growth rate. One billion people are expected to have access to the net by the end of the decade. While some may consider the net to be the revolution, it is only one of many players in the new communications network game.

We see examples of this new era almost daily, such as someone driving a car while talking on a cellphone. The pace of change is so rapid that words like ''cellphone'' and ''Internet'' and ''telemessaging'' are not in my office computer's spellcheck system. In the weeks and months ahead, more and more Americans will gain access to video dialtone, choosing their television programs through their telephone service. Likewise, cable franchises will enter the local telephone service market. Residents of Springfield, MA, will be able to watch their State legislators in Boston debate an education bill and instantaneously communicate with their legislators about how to vote on an amendment. We will hear more talk about the players in this new game: content providers, transporters, and technology enablers.

As we consider this brave new age of communications, it is clear the current law, the 1934 Communications Act, is a wholly adequate foundation upon which to build a communications system for the 21st century. Moreover, although the courts on occasion properly have intervened to halt monopoly abuse—most notably a little over a decade ago in the telephone industry—we should no longer leave the fundamentals of telecommunications policy to the courts.

S. 652, the telecommunications bill reported by the Commerce Committee on March 23, 1995, by a vote of 17–2 and which I am confident will be passed momentarily by the Senate, is not perfect. In some respects, I would have preferred S. 1822, the bill crafted so ably by Senator HOLLINGS and reported by the committee last year. However, the legislation before the Senate now is preferable to the status quo. It will establish fair and balanced ground rules for competition in the communications sector as we enter the next century. It will foster competition, assuring a needed balance among existing competitors and new entrants in this rapidly evolving field.

This legislation provides us with a national policy framework to promote the private sector's deployment of new and advanced telecommunications and information technologies and services to all Americans by opening all telecommunications markets to competition. Free and fair competition and maintaining universal service are the twin pillars of this new framework.

The bill assures that no competitor, no business and no technology may use its existing market strength to gain a head start on the competition. The legislation requires that a company or group of companies satisfy certain competitive tests before being able to offer a new service or enter a new market. Entry into new services and new areas is contingent upon a demonstration that competition exists in the market in which the business currently competes. But once competition has been achieved, most Federal and State regulation is replaced by consumer demand to regulate the market.

These fundamental features of S. 652 are designed to create a level playing field where every player will be able to compete on the basis of price, quality, and service, rather than on the basis of monopoly control of the market.

The bill also maintains universal service as a cornerstone of our Nation's communications system. With many new entrants in the communications market, S. 652 assures every player pays his fair share to continue universal service throughout our Nation. As the committee report states:

> The requirement to contribute to universal service is based on the long history of the public interest, convenience and necessity that is inherent in the privilege granted by the government to use public rights of way or spectrum to provide telecommunications services.

The present system, where certain parts of the country indirectly subsidize low-cost service in other areas, will be phased-out.

I am also pleased the legislation includes two amendments which I sponsored in committee and one I sponsored on the floor. The two amendments adopted in committee seek to restore a level playing field in two areas: broadcast rates for public, educational and governmental entities—known as PEG access groups; and competition in the pay phone markets. I am disappointed that efforts to refine the payphone amendment were unsuccessful, but I hope that further progress can be made on the subject in conference.

As I noted earlier in my statement, there are several provisions in the bill that continue to trouble me. On the floor, I offered and the Senate passed an amendment to ensure low income and rural areas are not bypassed as

communications companies implement new technologies and services.

As the bill moves to conference, I will continue to do what I can to make further improvements and defend against efforts to weaken its provisions protecting consumer interests and assuring free and fair competition.

Through this legislation and this debate, we have a unique opportunity to craft a telecommunications policy framework for the next century. Today, Mr. President, each of us is in a sense a pioneer heading out on the new information highway. Each of us is not only a witness to, but a participant in, one of the most amazing technological revolutions in history. We, as legislators, bear a special responsibility to assure that competition in this new era is fair and that every American in this and future generations may enjoy the fruits of this competition. This is truly one of the greatest challenges we face as we enter the 21st century.

RADIO SPECTRUM FOR LAW ENFORCEMENT PURPOSES

Mr. HATCH. Mr. President, I share the concerns that have been expressed by others regarding the availability of radio spectrum for law enforcement purposes. I have been contacted by law enforcement organizations across the country, including those in my State of Utah, expressing these concerns.

A critical element in the effort to battle crime and to respond to emergencies of all types is the existence of reliable and secure radio communications facilities, which in turn depends on adequate spectrum availability. Yet, current allocations may well be inadequate to meet present needs. Many metropolitan police departments are unable to add new channels to alleviate congestion.

Moreover, spectrum space is also needed to bring new technologies online. Just last week, we passed a counterterrorism bill, which included important provisions to increase information sharing between law enforcement. Yet these provisions will be for naught if spectrum space is not available for the deployment of these technologies.

I appreciate the commitment expressed by the managers of this bill to address this issue. I know that the Senator from South Dakota, the Distinguished Chairman of the Commerce Committee, shares my concerns. As a former member of the Judiciary Committee, he understands the needs of law enforcement. I understand that he is committed to attempting to resolve these concerns as this legislation moves forward. I look forward to working with him and the Senator from South Carolina on this vital issue as the legislation moves through conference.

Mr. BIDEN. I am very concerned that Federal, State, and local law enforcement have adequate spectrum availability, and would like to work with the chairman of the Judiciary Committee and the managers of this bill to ensure that this vital issue is addressed in the conference on this legislation.

The reason this is so important is twofold. First, in this era where Federal, State, and local law enforcement often work together we need to maintain spectrum space so that these, and other public service agencies, can communicate with ease and with the most advanced technology available. If we develop better technology to allow the police to talk to each other without the bad guys listening in, we must have the spectrum available to use this technology.

Second, we must work to ensure sufficient spectrum space for the myriad technological advances being made in the area of secured communications. I have heard several of the law enforcement leaders in my home State of Delaware raise these key points. So, I believe this is a practical problem that we face in Delaware and around the Nation.

We do a disservice to law enforcement and to the American people if we do not provide these public servants with the many benefits of our rapidly advancing telecommunications industry. I look forward to working with my friend from Utah on this important effort.

Mr. HATCH. I thank my friend and colleague from Delaware for his support on this issue. As the former chairman of the Judiciary Committee, his strong support of law enforcement is wellknown, and I look forward to working with him in this.

Mr. BIDEN. I want to acknowledge and thank my colleagues for their efforts on this issue. In particular, Senator HATCH and the managers of this important legislation, Senator PRESSLER and Senator HOLLINGS not only for their support of this effort, but also their support of law enforcement.

Mr. PRESSLER. I do share my colleagues' concerns, and appreciate the interest of the chairman and ranking member of the Judiciary Committee in this issue. I look forward to working with them on it.

Mr. HOLLINGS. I, too, understand these concerns and look forward to addressing them.

CABLE ISSUES

Mr. PRESSLER. Mr. President, I would like to engage my colleague from South Carolina in a colloquy on several cable issues. First, it is my understanding that neither section 204(a) of the bill nor the relevant provisions in the Dole-Daschle-Hollings amendment is intended to prevent the FCC and cable operators from entering into ''social contracts'' or other similar arrangements to settle rate complaints, under which the operator agrees to offer a low priced basic tier to offset an increase in the rate for cable programming services.

Mr. HOLLINGS. The Senator from South Dakota is correct.

Mr. PRESSLER. I thank the Senator. Second, it is my understanding that the reference to comparable video programming, added by the Dole-Daschle-Hollings amendment to new section 623(*l*)(1)(D) of the Communications Act, has the same meaning as it does elsewhere in section 632(*l*)(1) of the Communications Act and the FCC's regulations defining comparable.

Mr. HOLLINGS. The Senator's understanding is correct.

Mr. PRESSLER. Finally, I call the Senator's attention to the managers' amendment to S. 652. As amended by the managers' amendment, new section 613(b)(2)(B) of the Communications Act clarifies that a Bell operating company providing cable service as a cable operator utilizing its own telephone exchange facilities is not required to establish a video platform. However, a Bell operating company that provides cable service as a cable operator, whether through its own telephone exchange facilities or otherwise, would be subject to the PEG and commercial leased access requirements of the Communications Act—sections 611 and 612—applicable to all cable operators.

Mr. HOLLINGS. The Senator accurately states the intent of the bill as amended by the managers' amendment.

Mr. PRESSLER. I thank the Senator from South Carolina.

POLE ATTACHMENT

Mr. MURKOWSKI. Mr. President, I have reviewed the provisions of S. 652, as reported, that seek to amend section 224 of the Pole Attachment Act of 1978. As a result of that review, I am deeply concerned that these provisions would have a significantly adverse impact on electric utility ratepayers throughout the Nation. I am particularly concerned that these provisions would require electric ratepayers to shoulder the burden of subsidizing not only cable operators but also telephone companies and telecommunications providers. The amount of money foregone by the bill as reported is not trivial. It amounts to tens of millions of dollars annually, if not hundreds of millions of dollars. Put simply, it is not fair to ask consumers of electricity to subsidize cable operators and telephone companies. In this connection, it is important to point out that this subsidy does not even necessarily go the customers of these companies.

From a consumer protection standpoint, I believe the legislation should be amended to ensure that all entities that attach to poles are required to pay a fair and proportionate rate that provides for recovery of the cost of installing and maintaining the entire pole, including the common space. I ask the chairman of the Committee, Senator PRESSLER, and the ranking minority member, Senator HOLLINGS, whether they have any concerns on this matter and what their plans are to remedy the situation.

Mr. PRESSLER. I agree with the Senator from Alaska [Mr. MURKOWSKI], that this is a real concern that needs to be addressed. I believe that many of these concerns are being addressed in the Manager's amendment, but to the

extent that they are not fully addressed I will work with you to address them.

Mr. HOLLINGS. I concur in the comments of the Senator from Alaska [Mr. MURKOWSKI] and the comments of the Chairman of the Committee, Mr. PRESSLER.

SUBMITTED AMENDMENT NO. 1320

Mr. BROWN. Mr. President, I filed an amendment No. 1320, that addresses the part of the bill which amends existing law regarding pole attachments. Under the bill, all utilities are required to open up their poles, ducts, conduits or rights-of-way to other telecommunications carriers on a cost basis. Of course, there are exceptions to this. I filed an amendment which would have removed that obligation for nondominant telecommunications carriers. In other words, no nondominant telecommunications carrier would have to provide access on a cost basis. Instead, they would offer access on a free-market basis.

The reason this amendment was filed is straightforward. I can understand requiring the incumbent monopoly to provide access on a cost basis, since the captured rate payers funded the construction. But, I cannot understand requiring other, competitive providers to provide access on a cost basis—particularly if their business is largely in providing access to those very same conduits on a market basis.

There are competitive telecommunications businesses that have laid lines and built a long distance service through hard work and purely private capital. There are telecommunications businesses that have focused on laying conduit or lines for purposes of leasing or selling that capacity. The obvious problem would arise if these businesses that focus on selling capacity lose any chance of profit because they must provide access on a cost basis. I do not think the bill should apply to them, but I am not sure that it does not.

I am sure that the intent of this section was not to burden competitive carriers that are in the business of providing capacity. I ask the managers if they agree with me that this was not the intent of the section?

Mr. PRESSLER. That is right.

Mr. HOLLINGS. I agree with the Senator.

Mr. BROWN. The amendment I filed would have exempted nondominant carriers from application. At this time, we will not offer the amendment.

The difficulty in this area is that it is unclear whether the bill actually causes an inequitable result and thus whether anything needs to be done. We will take a second look at drafting a solution to this potential problem between passage in the Senate and the conference with the House.

At this time, I ask the managers of the bill if they will support our effort to solve this potential problem in conference?

Mr. PRESSLER. I agree with the Senator from Colorado that there may be a unwanted inequitable result from this section, and I will work to solve this potential problem in conference.

Mr. HOLLINGS. I, too, believe there may be a potential problem and will work to solve this problem in conference with the House.

Mr. BROWN. I thank the managers for their help on this important issue and commend them for their work on the bill. I yield the floor.

SINGLE LATA STATES

Mr. PRESSLER. This amendment refers to ''single-LATA states.'' I understand this to cover only states where the LATA and the state are the same—where the state constitutes the entire LATA.

Mr. ROTH. That is my understanding as well. The amendment would not exempt those states, like Delaware, that are part of a LATA that includes part of another state.

Mr. PRESSLER. I agree with that interpretation of the amendment.

Mr. DASCHLE. Mr. President, this debate on S. 652 has clearly demonstrated the potential of emerging telecommunications technologies. It is truly exciting to contemplate what this legislation could mean for American society.

A particularly intriguing new development in the telecommunications field is the creation of Personal Communications Services (PCS). These devices will revolutionize the way Americans talk, work and play.

While this new technology opens new vistas for personal communications services, its emergence also highlights the potential downside of entering untested areas. Specifically, concerns have been raised about the potential side-effects of some new PCS technology on other devices such as hearing aids.

Recently, the government completed an auction that netted $7 billion for the right to provide advanced digital portable telephone service. It is my understanding that some of the companies that obtained these PCS licenses have considered utilizing a technology known as GSM—Global System for Mobile Communications. I am informed that people who wear hearing aids cannot operate GSM PCS devices, and some even report physical discomfort and pain if they are near other people using GSM technology.

It should not be our intent to cause problems for the hearing impaired in promoting the Personal Communications Services market. It is my view that the Federal Communications Commission (FCC) should carefully consider the impact new technologies have on existing ones, especially as they relate to public safety and potential signal interference problems. An FCC review is in keeping with the intent of S. 652, which includes criteria for accessibility and usability by people with disabilities for all providers and manufacturers of telecommunications services and equipment.

Mr. HOLLINGS. Will the Senator yield?

Mr. DASCHLE. I would be glad to yield to the honorable ranking member of the Commerce Committee.

Mr. HOLLINGS. I thank the Senator for yielding and support his suggestion that the FCC investigate technologies that may cause problems for significant segments of our population before they are introduced into the United States market. Such review is prudent for consumers, and it will help all companies by answering questions of safety interference before money is spent deploying this technology here in the United States.

Four million Americans wear hearing aids, and the Senator from South Dakota has raised an important issue. GSM has been introduced in other countries, and problems have been reported. It is reasonable that these problems be investigated before the growth of this technology effectively shuts out a large sector of our population.

Mr. DASCHLE. I thank the Senator for his remarks, and would also like to commend his role in bringing telecommunications reform to the floor. His leadership and patience throughout this three-year exercise that has spanned two Congresses is well known and widely appreciated.

Mr. President, the public record indicates that if companies are allowed to introduce GSM in its present form, serious consequences could face individuals wearing hearing aids. I would urge the FCC to investigate the safety, interference and economic issues raised by this technology. I also would urge the appropriate congressional committees to consider scheduling hearings on this issue.

Mr. PACKWOOD. Mr. President, S. 652 contains what appears to be two checklists—the first is in section 251(b)—and it deals with such issues as interconnection, access, unbundling, resale, number portability and local dialing parity. Section 255, which deals with the removal of the long distance restriction imposed upon the Bell operating companies by the modification of final judgment, has the second checklist in section 255(b)(2). Section 251(b) deals with the very same issues as section 255(b)(2) does, but its requirements are stated in a broader and less specific manner. Is a Bell operating company required to have ''fully implemented'' both the section 251 and the section 255 checklist before the Communications Commission can authorize a Bell operating company to provide interLATA service pursuant to section 251(c)?

Mr. PRESSLER. No.

Mr. PACKWOOD. When Section 255 makes reference to section 251, is that reference intended to incorporate the minimum standards of section 251?

Mr. PRESSLER. No.

Mr. CRAIG. What is the intended relationship between the section 251(b) ''minimum standards'' and the section 255(b)(2) ''competitive checklist'' given that both the ''minimum standards'' and the ''competitive checklist'' address many of the same issues?

Mr. PRESSLER. The competitive checklist is found in section 255(b)(2) and is intended to be a current reflection of those things that a telecommunications carrier would need from a Bell operating company in order to provide a service such as telephone exchange service or exchange access service in competition with the Bell operating company. This competitive checklist could best be described as a snapshot of what is required for these competitive services now and in the reasonably foreseeable future. In other words, these provisions open up the local loop from a technological standpoint as section 254 opens the local loop from a legal barrier to entry standpoint. Section 251's ''minimum standards'' permit regulatory flexibility and are not limited to a ''snapshot'' of today's technology or requirements.

NONDISCRIMINATORY TREATMENT

Mr. HELMS. Mr. President, may I direct a question to my distinguished colleague from South Dakota regarding a minor technical matter in the Committee amendment?

Specifically, I believe a clarification is in order regarding the Senate's intent in changing the heading on page 101 at lines 15 and 16 to read ''(2) Non-Discrimination Standards . . ..'' It is my understanding that this amendment is necessary to express clearly the Senate's intent that the nondiscrimination provisions in this paragraph shall apply to transactions of Bell operating companies with all parties, not just other local exchange carriers as incorrectly suggested in the Committee Report.

Such nondiscriminatory treatment in procurement, standards-setting, and equipment certification is particularly important to the telecommunications equipment supplier community. Independent suppliers must have the same opportunity to sell to the Bell operating companies as any of their affiliates. This is good for the consumer, good for the suppliers, and good for the telephone companies.

Mr. PRESSLER. The understanding of my colleague from North Carolina is correct.

Mr. HELMS. I thank my good friend from South Dakota for making this clarification in the bill.

AMENDMENT NO. 1256

Mr. PRESSLER. Mr. President, I understand there is some concern among those in the transportation industry over an amendment agreed to earlier regarding the use of auctions for the allocation of radio spectrum frequencies. Specifically, the amendment would extend the FCC's authority to use auctions for the allocation of radio spectrum frequencies for commercial use. That amendment, which I supported, also includes a provision to exclude so-called ''public safety radio services'' from competitive bidding requirements.

I see the sponsor of the amendment on the floor. Will the Senior Senator from Alaska enter a very short colloquy to help me put to rest the concerns over this amendment?

Mr. STEVENS. Certainly.

Mr. PRESSLER. For purposes of public safety radio services, there are many circumstances when the transportation industry must rely on radio telecommunications to address safety concerns. For example, the railroad industry uses radio spectrum for voice and data communications that are essential to public safety. Freight and passenger railroads rely upon radio communications to transmit authority for train movements, to broadcast emergency warnings, and to seek emergency response in the event of accidents. Indeed, radio communications can often be critical to addressing the safety concerns of many modes of transportation. Does the Senator from Alaska agree with my views?

Mr. STEVENS. Yes. The transportation industry's reliance on radio communications can be critical to public safety. The amendment is not intended to impose economic burdens on the transportation industry or other industries when meeting public safety obligations.

For example, public safety radio services also include private, internal non-commercial use radio services used to provide reliable and secure communications in the management and operation of utility and pipeline services, like the Trans-Alaska pipeline and other oil, gas, mining, and resource development activities in my state under federal, state, and local statutes, regulations and standards relating to public health, safety or security.

Mr. PRESSLER. I thank the Senator. Now, I will yield to the Senior Senator from Oregon, who I understand would also like to comment on this important subject.

Mr. PACKWOOD. I thank the Chairman. I wanted to stress that the availability of radio frequencies is critical to technological advancements which enhance transportation safety. For example, the Department of Transportation is currently working with the Union Pacific Railroad and the Burlington Northern Railroad on an important test program to demonstrate the benefits of a new technology using radio spectrum called Positive Train Control. In fact, a 1994 Federal Railroad Administration report to Congress specifically emphasized the importance of radio technology in the development of positive train control.

This is just one example of how the radio spectrum can be important to the development of new transportation safety technologies. Since the availability of radio frequencies will be critical to these efforts in the future, I strongly agree with my colleagues the term ''public safety radio services'' includes safety-related communications of railroads and other modes of transportation.

Mr. PRESSLER. I concur with the Senator and thank him for his comments.

Mr. HOLLINGS. Mr. President, I am concerned that the language in S. 652 is unclear concerning the requirements that the regional Bell operating companies [RBOC's] must fulfill before they are permitted to provide interLATA, or long distance service. The entry provisions of section 255(b)(1) require that the RBOC must reach an interconnection agreement and must fully implement the checklist under section 255(b)(2). The language is unclear, however, whether the RBOC actually must simply reach an agreement to provide interconnection or whether it must also actually provide such interconnection to a carrier. I would simply clarify that, as one of the principal authors of this legislation, it is my understanding that the legislation requires the RBOC not only to reach an agreement but it must also actually provide such interconnection to a carrier fulfilling the checklist under section 255.

I understand that the legislation does not require that the RBOC's comply with both the minimum standards under section 251(b) and the section 255 checklist before being authorized to provide interLATA service. I would clarify one additional point, however, concerning the charges of providing interconnection under section 255. While there is no explicit reference to the charges that the RBOC's may assess for interconnection under section 255, it is my interpretation of the language in section 255 that the RBOC's must provide interconnection under section 255 at charges that are consistent with section 251(d)(6). Indeed, while the reference to section 251 in section 255(b)(1) is not intended to refer to the minimum standards under section 251, it is intended to include reference to subsection (d)(6) in section 251 concerning the charges for each unbundled element under section 255. I appreciate the opportunity to share this interpretation with colleagues.

Mr. FEINGOLD. Mr. President, I rise in opposition to the Telecommunications Competition and Deregulation Act of 1995. Mr. President, I had hoped that, following the adoption of several proconsumer amendments on the floor, that I would be able to support this legislation.

I favor increased competition and deregulation of telecommunications markets because true competition benefits consumers by providing them with more choices, lower prices, and improved service. However, Mr. President, S. 652, as it was reported by the Commerce Committee, did not contain adequate assurances that the deregulation of telecommunications markets will result in true competition. And unfortunately, Mr. President, virtually all of the amendments offered on the floor to ensure that this bill would benefit users of telecommunications services were rejected by the Senate.

Mr. President, I am disappointed about that turn of events because I think there was ample opportunity to

make this bill a good bill for consumers, local communities, State governments, and private businesses alike. I regret that the Senate took what should have been an opportunity to better serve consumers, and turned it into an obstacle to greater true competition in telecommunications.

The amendment offered by the Senator from North Dakota, Senator DORGAN, and the Senator from South Carolina, Senator THURMOND, was among the most critical amendments offered to improve this bill. That amendment would have included in the legislation a strong decisionmaking role for the Antitrust Division of the Department of Justice in the approval of the regional Bell operating companies [RBOC's] entry into long distance telecommunications markets. It was an attempt to rectify the inadequate long distance entry provisions contained in the bill.

Mr. President, while the bill did attempt to provide protections for consumers, such as the competitive checklist and the public interest test, there was still a distinct need for review by the Antitrust Division of the Department of Justice. The competitive checklist in S. 652 only ensures that certain technical and legal barriers to competition in the areas served by the Bell monopoly have been eliminated prior to the RBOC entry. This checklist does not require that competition actually exist in local markets dominated by the RBOC's before they are able to use their substantial market power to enter long distance markets.

The power of the local monopoly is without equal in telecommunications markets. The advantages provided to them over those with lesser market power, fewer resources, and limited opportunities to control entry by their competitors are without bounds. We must keep in mind that competition in both local and long distance markets cannot exist when one player has substantially greater market power than his/her rivals.

S. 652 also prohibits the Federal Communications Commission, the agency required to enforce the competitive checklist, from expanding on the criteria contained in the checklist. If Congress has overlooked crucial criteria with respect to barriers to entry, FCC would be unable to consider it. At the same time the bill limits FCC's role, it provides absolutely no role for the Department of Justice which is the agency responsible for the competition that exists today in long distance markets. Senators DORGAN and THURMOND worked hard to rectify that inadequacy by offering an amendment giving the Department the authority to approve individual RBOC applications to enter long distance markets. Mr. President, that crucial amendment failed.

The absence of a sound antitrust review of RBOC applications to offer long distance service means there is little assurance that the benefits consumers have realized in a competitive long distance markets will not evaporate if this bill becomes law.

And Mr. President, if the absence of a DOJ role did not provide adequate reason to oppose this bill, the rejection of a substantial number of basic proconsumer amendments only added to my opposition.

Mr. President, this bill repealed much of the cable rate regulation established in the 1992 Cable Act, a law enacted in response to consumer outcries about skyrocketing cable rates. The Senator from Connecticut [Mr. LIEBERMAN] offered an amendment which would have merely provided an accurate yardstick to measure whether a cable company's cable rates were out of line and should be subject to regulation. That amendment was tabled.

An amendment offered by the Senator from California [Mrs. BOXER] would have provided some assurance that channels currently included as part of a consumers' basic tier cable service, which remain under Government regulation, would not be moved into more costly upper tier packages, which will be deregulated under this bill. S. 652, in its current form actually provides an incentive to move channels offered as part of a basic package into the unregulated upper tier packages for which cable companies can now charge higher rates. Senator Boxer's amendment was tabled.

The Senator from Nebraska [Mr. KERREY] offered several very good amendments on this bill. One very simple amendment would have merely required that a consumer representative sit on Federal-State Joint Board on Universal Service, the board which will study existing universal service support mechanisms and make recommendations about how to preserve and advance universal telecommunications service. It seems entirely appropriate that rural consumers be guaranteed representation on this board. Senator Kerrey's amendment was tabled.

The package of leadership amendments that was approved earlier this week by the Senate eliminated virtually all restrictions on the number of radio stations one entity might own raised a number of concerns about undue market concentration in broadcasting. While I voted for that package of amendments because it contained a prohibition on cable/telephone company cross ownership, I remained concerned about the radio ownership provisions in the package. The Senator from Illinois [Mr. SIMON] attempted to increase the number of stations one entity might own by 150 percent from current law rather than lifting the restrictions entirely. His effort was designed to ensure that this bill did not actually result in less competition in radio broadcasting. His amendment was rejected.

Mr. President, the list of defeated proconsumer amendments goes on. I was astonished by the rejection of some of these amendments which were intended to benefit consumers and protect them from potentially anticompetitive practices of some within the telecommunications industry. I have wondered if my colleagues have forgotten that the reason we are attempting to encourage grater competition through deregulation is to benefit consumers, not the competitors themselves. This bill might be very good for telecommunications business interests, but it is not good for consumers.

In addition, Mr. President, I am very disturbed by the passage of an amendment yesterday, offered by the Senator from Nebraska [Mr. EXON] which I believe contains an unconstitutional provision. I spoke at great length yesterday about my specific concerns with that amendment.

Mr. President, it is with disappointment that I must oppose S. 652. However, the outcome of the floor action on this bill, leaves me very little choice.

LEGISLATIVE HISTORY LANGUAGE ON OWNERSHIP CAP/ATTRIBUTION

Mr. PRESSLER. Mr. President, In raising the ownership cap to 35 percent of the Nation's TV households immediately, with a biennial regulatory reform review, it is our intent to permit broadcast companies to achieve greater operational efficiencies through expanded group ownership of television stations. There is a danger, however, that future changes to the FCC's attribution rules—for example, prospectively or retroactively restricting the availability of the single majority shareholder exemption or attributing nonvoting stock—could cause some ownership interests not now covered by the cap to fall within the scope of this regulation. Such a result could seriously undermine the goal that we are seeking to advance through adoption of this legislation. Accordingly, the committee expects the FCC to avoid the adoption of more onerous or restrictive attribution policies that would reduce the national station ownership potential of individual companies below the level that would be permitted under a 35-percent cap utilizing the attribution rules that are currently in effect.

PROMOTING THE USE OF TELECOMMUTING

Mr. SPECTER. Mr. President, I have sought recognition to speak more fully about my amendment on telecommuting, which passed the Senate yesterday by voice vote. My amendment directs the Secretary of Transportation to research successful telecommuting programs and to inform the general public as to the types of telecommuting programs that are succeeding and the benefits and costs of such programs. This amendment is appropriate in the context of the pending bill, which accelerate the deployment of advanced telecommunications and information technologies.

As my colleagues are aware, telecommuting is the practice of allowing people to work either at home or in nearby centers located closer to their home during their normal working

hours, substituting telecommunications services, either partially or fully, for transportation to the traditional workplace. I believe that it is in the national interest to encourage the use of telecommuting because it can enable flexible family-friendly employment, reduce air pollution, and conserve energy. Further, as a Senator from a State which has major urban areas like Pittsburgh and Philadelphia, I recognize there is a real need to improve the qualify of life in and around America's cities.

According to a July, 1994, Office of Technology Assessment report, between 2 to 8 million American workers already telecommute at least part time. A 1994 survey by the conference board found, however, that in 155 businesses nationwide, only 1 percent of employees telecommute, although 72 percent of the businesses had such an option.

According to the Office of Technology Assessment, the most significant barriers to telecommuting are business and worker acceptance and costs. This legislation responds to the need to broaden public awareness of the benefits and costs of telecommuting, and to identify and highlight successful programs that can be duplicated.

I believe telecommuting is profamily. I have seen several news articles which featured working mothers and other parents who endorse telecommuting as benefiting child care and flexibility generally. One General Services Administration employee who now telecommutes was interviewed for a June 11, 1995, Washington Post article remarked, ''I just wish they had this much sooner, when my kids were little.''

Telecommuting should also appeal to computer-literate younger Americans, such as those described as Generation X, for whom a balance between work and lifestyle is very important. This new generation of American workers is the most adept at utilizing computers and should welcome the opportunity to spend less time commuting and more time pursuing other interests.

It is also important to note that some physically impaired individuals are able to obtain jobs thanks to their ability to telecommute. An April 23, 1995, Boston Globe article detailed a pilot project in Massachusetts, where physically impaired individuals such as the legally blind and quadriplegics do transcription work for doctors and hospitals. One women who suffered crippling injuries in an automobile accident noted that she never thought she'd work again, but that this new telecommuting program ''is like a gift sent from heaven.''

Telecommuting should be of interest because of its potential implications for transportation, particularly the mitigation of traffic congestion. The Energy Department issued a report in June, 1994, in which it stated that telecommuting and its benefits will be concentrated in the largest, most congested urban areas, with 90 percent of the benefits accruing to the 75 largest American cities. Thus, the greatest benefits will occur where they are most needed. Reflecting the direct effects of telecommuting on transportation, the Department of Transportation has reported that in 1992, telecommuting saved 2 million Americans an estimated 3.7 billion vehicle miles, 178 million gallons of gasoline, and 77 hours of commuting time each. The Department also estimated that telecommuting would lead to reductions of hydrocarbons and nitrogen oxides on the order of 100,000 tons in the year 2002 and 1 million tons of carbon monoxide. Rural areas should also benefit from a broader use of telecommuting because more employment opportunities would be available through the information superhighway.

My amendment is simple and straightforward. It directs the Secretary of Transportation to identify successful telecommuting programs used by Government agencies and companies and publicize information about such programs in order to broaden public awareness of the benefits of telecommuting. The Secretary would carry out this directive in consultation with the Secretary of Labor and the Administrator of the Environmental Protection Agency, so that work force and environmental concerns will be taken into account. The Secretary of Transportation would also be required to report to Congress on his findings, conclusions, and recommendations with respect to telecommuting within 1 year of enactment. Using such information, Congress may consider whether additional legislation to promote telecommuting is warranted or desirable.

I ask unanimous consent that the texts of the Washington Post and Boston Globe articles I have mentioned be printed in the RECORD.

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

[From the Washington Post, June 11, 1995]

FEDERAL WORKERS TEST DRIVE TELECOMMUTING

(By Todd Shields)

In a federal office in Waldorf, Julie Jones occupies workstation 13. Chrissie Edelen sits right beside her, in mirror-image No. 14.

Their cubicles are bereft of humanizing touches, bare of the snapshots or photocopied cartoons that might proclaim that a person is in the bureaucrat's seat.

They'll go all day without walking down the hall to a meeting.

They'll not be visited by a boss, and no colleague will drop in for a chat.

Office grumps? Strange ascetics?

Certainly not. They are happy telecommuters, using their cubicles in Southern Maryland once a week, on the blessed day when they don't devote two or three hours to the simple act of getting to and from work. And that, they certainly love.

''The morale is excellent,'' said Edelen, a graphic artist. ''I feel more relaxed. You're not fighting traffic. . . . You just feel better.''

Edelen and Jones, a paralegal, are early beneficiaries of a pilot program that may spare tens of thousands of federal workers enervating commutes while boosting productivity and cutting air pollution.

The women are among 56 workers who spend one or two days a week at the InTeleWorkNet Center, a 14-station office suite replete with computers, faxes, printers and other equipment. The center, set up with money from the General Services Administration, is one of five on the fringes of the Washington area, where federal commuters face particularly grueling trips.

Proponents see the centers as forerunners of scores of similar stations that would dot the area, in essence bringing many workplaces within a short drive or even a bicycle ride of workers' homes. The GSA, which is using the Washington area as its prototype, expects to expand the program nationwide, fostering ''telework'' centers for 60,000 federal employees by 1998.

The federal pilot, funded by a $6 million appropriation through late 1996, is one of several initiatives to bring telecommuting—working at a distance from the usual office—to government workers in the Washington area.

Fairfax, Arlington and Montgomery county governments all have begun small pilot programs for their staffs to work from home. The Metropolitan Washington Council of Governments, a regional planning agency, envisions four work centers in Virginia an done in the District for private and public workers. And this year, Maryland is to launch a three-year pilot program for state employees, who would work at home.

The programs are initial steps toward a transformation already well begun in the private sector. Estimates of the number of telecommuters in the United States begin at 5 million, yet the federal government, with its 2.8 million employees, has only 3,000 workers enrolled in telecommuting programs. By comparison, one regional telephone company alone, Bell Atlantic Corp., has 2,000 telecommuting employees. Public or private, the programs' impetus is the same. Planners and executives look around and see the same things workers by the legion experience—bad air, traffic jams and stress-filled schedules that commonly have workers leaving home before dawn and placing their children in the care of others in eerily empty suburbs.

''You wonder: My God? Isn't there a better way to do this?'' said Warren Master, head of the GSA pilot project.

Master speaks with the zeal of the converted, sketching aloud plans for work centers that play host to both government and private employees and that attract the broader public with copying shops, Internet access and services such as Veterans Affairs counselors or Internal Revenue Service advisers.

For the time being, though, the benefits go primarily to people such as Jones, the paralegal. A resident of Clinton, in southern Prince George's County, she usually commutes more than an hour to Defense Mapping Agency offices in Merrifield or Bethesda. On Wednesdays, she travels a few miles south against traffic to reach the Waldorf center in 15 minutes or less.

The hours saved leave more time with her husband and 22-month-old son. But Jones was surprised to find an added plus: She can accomplish far more at the Waldorf center, where she has all the equipment she needs without the countless distractions of big-office life, she said.

''It makes things easier,'' Jones said. ''It's just the same as if I'm working at my desk in Merrifield or Bethesda, except I don't have as many interruptions.''

Jones and Edelen, who works for the Federal Highway Administration, said they save large, complex tasks for their telecommuting days. Being able to work without interruption is a relief. ''It's off my brain,'' Jones said, ''and I'm on to something else.''

The Waldorf workers have experienced what telecommuting consultants and advocates long have contended: that teleworkers are more productive. Studies document increases of 15 percent to 25 percent, said Master, of the GSA.

But telecommuting still can be a tough sell, said Jennifer Thomas, program director at the GSA's telecommuting center in Fredericksburg, VA., which opened its second branch last month.

''Some kind of grumpy middle manager will say, 'How do I know this person's not goofing off?' '' Thomas said. Her center advises the managers to judge by results. So far, she said, the center has received only positive feedback from workers and their managers.

Despite the good reviews and the affected workers' adulation—virtually all Waldorf teleworkers surveyed by the University of Baltimore's Schaefer Center for Public Policy thought the arrangement improved morale and their quality of life—the centers' future is by no means assured.

''Once the funding runs out on these pilots, they, of course, have to be self-sufficient,'' Master said. When subsidies drop away, the charge to agencies that rent the computer workstations will increase. Master said agencies still could save money if they reduce the number of desks in central offices, to take account of telecommuters.

One person who hopes the centers will succeed is Ruth Ann Campbell, a GSA budget analyst who for 28 years has endured commutes of as far as 42 miles from her home in La Plata. Now she revels in the opportunity to drive just 10 miles north of the Waldorf center.

''My family and friends think I'm much nicer,'' she said during a break in the work center's small video-conferencing room. ''I'm not only happier on Wednesdays, I'm happier because I'm looking forward to next Wednesday. . . .

''I just wish they had this much sooner, when my kids were little.''

[From the Boston Globe, Apr. 23, 1995]

QUADRIPLEGICS GET HELP IN WORK-AT-HOME PROGRAM

(By Andrew Blake)

When Mary M. Palermo suffered crippling back injuries after an automobile accident in Revere in the summer of 1992, she thought she would never be able to work again—certainly not as a waitress or in an office.

In some respects she was right. She says she can't commute to work because of back pain. But under a program just gearing up at Melrose-Wakefield Hospital, Palermo will ''tele-commute'' as she and several others work for doctors at the hospital via computer, without leaving their homes.

''For me this is like a gift sent from heaven,'' said Palermo, 42, of Revere.

''I started getting assignments for transcriptions on April 4 and the best part is I can work at home at my own pace,'' she added.

One doctor at the hospital has been using the new service since February. Several more physicians employed by the hospital or affiliated with it are expected to start using the service within a week or two.

Doctors dictate their patient medical notes, progress notes or surgical notes into a Dictaphone. The notes are then heard by a transcriptionist at his or her home, typed into a home computer and sent back to the hospital or doctor.

The program, which allows physically impaired people including the blind, to do transcription work for doctors and hospitals, originated at Boston University's Helping Hands project, best known for its work in training monkeys to help quadriplegics. It is funded in large part by a $50,000 grant from the State Department of Employment and Training.

M.J. Willard, executive director of Helping Hands, affiliated with Boston University's Medical School, described this pilot project ''as diversification of the original program.''

The idea came about, she said, after talks with the Massachusetts Rehabilitation Commission, the Massachusetts Commission for the Blind and Gov. Weld's Telecommuting Initiative. A variation on the program is working in California, she said.

''Over the summer, working with people referred by state agencies and scored for compatibility with home transcription work, a dozen trainees learned medical terminology, learned how to use computers and communication modems and software programs for writing and communication by computer.

''Not surprisingly, we discovered the very reasons that we set up the program were causing problems for the students—commuting,'' she explained.

The classes at BU were scaled back to once a week and then the students could learn by communicating with their computers. While BU provided the class space and administrative help, Willard said IBM donated computers and modems, the Dictaphone company donated some Dictaphones and deeply discounted others, Willard explained. And the state paid the salary for the instructor.

''We had contacted 82 hospitals and transcription companies to gauge their interest. Thirteen expressed interest but Melrose-Wakefield Hospital expressed deep commitment in making this happen, so we went with them,'' said Willard.

At the hospital, Jackie Valente, director of medical management, said the Helping Hands project could not have come at a better time. An increasing number of physicians need faster and more efficient transcription services.

''We see this expanding to 50 or so physicians with about one transcriptionist for every three doctors,'' said Valente.

Right now, she added, Dr. Khaleet Beeb is working with a transcriptionist to establish formats and to work out kinks in the system. For the moment, the transcriptionist first sends the transcribed reports to a proofreader working at home in Quincy, who checks for correct medical terminology and then sends it to Beeb at the hospital.

Three more transcriptionists she said, including Palermo, are about to start possibly as early as this week. One is in Dorchester and the other lives in Watertown.

One of the physicians about to use the program is Dr. Joseph L. Pennacchio, a Revere native who is president of the medical staff at Melrose-Wakefield Hospital.

''This sounds like a good program. I can definitely see advantages. With this service we can better document our notes, communicate faster for the benefit of patients and get more detailed information to us more efficiently,'' said Pennacchio.

The system currently used by doctors to have their notes transcribed relies heavily on commercial transcription services and free-lance transcriptionists who stop by the hospital or doctor's office to pick up tapes. The person then listens to the tapes, transcribes the information on a typewriter and then carries the material back to the hospital. That can take days or weeks, according to Valente.

Under the telecommuting system she expects the turnaround time to be greatly reduced.

''People can work at their homes at midnight or 3 a.m. if they feel like it or they can tend to their children and start work any time they like. The more they work, the more they earn,'' she added.

The homebound computer transcriptionists will be paid 7 cents a line. They can work as much as or little as they like, and much will depend on how extensive a doctor's notes are on any given assignment, she explained.

Palermo, originally from Watertown, N.Y., and with a degree in English, came to the North Weekly region about 19 years ago on assignment from the Social Security Administration to the Lynn office.

Later she worked as a waitress at Durgin Park in Boston, ''where I was entertaining people for 12 hours a day. So I decided to be a stand-up comic, where I only had to be funny for 5 minutes.''

''When the accident happened I was in the process of thinking about a work change. I never imagined I'd be working at home with a computer,'' she said.

RESTRICTION ON IN-REGION MERGERS OF TELEPHONE AND CABLE COMPANIES

Mr. THURMOND. Mr. President, I rise to commend the leadership and the managers of the telecommunications bill, S. 652, for the amendment which was made to ensure that potential competition between telephone companies and cable companies will be maintained for the benefit of consumers. Until this amendment was made, I had serious concerns about S. 652 removing the current prohibition on mergers between local telephone exchange carriers and cable companies in their service regions, subject only to standard antitrust scrutiny. I was prepared to offer an amendment to the original language in the bill because it lessened the likelihood of vigorous competition developing between telephone and cable companies, with each offering the services of the other.

As the chairman of the Judiciary Committee's Antitrust, Business Rights, and Competition Subcommittee, I am particularly pleased that the amendment adopted to restrict telephone-cable mergers contains a savings clause which makes absolutely clear that the antitrust laws are maintained and will be applied by the antitrust enforcement agencies. Thus, even if the FCC grants a waiver as permitted in the amendment or a merger comes within the rural exception, the Department of Justice and the Federal Trade Commission still have the authority and the obligation under the law to consider whether any telephone-cable merger, acquisition, or joint venture violates the antitrust laws.

Mr. President, antitrust analysis by the antitrust authorities is critical to promote competition between the two wires—cable and telephone—that already run to the home, and avoid a single monopoly provider of both cable and telephone services, which would result in higher cable and telephone prices for consumers.

I am pleased that an agreement was reached in this area and that this amendment is now part of the bill.

RURAL HEALTH PROVIDERS

Mr. ROCKEFELLER. Mr. President, I want to take a few moments to talk about how the Snowe-Rockefeller provision in the bill before us today will assure rural residents that when it comes to their health care they will have the same advantages as urban residents.

A shortage of family doctors, pediatricians, nurse practitioners, and other primary care providers has been a chronic problem in rural areas. Access to a medical specialist has been practically nonexistent unless a rural citizen was willing and able to travel, sometimes a very long distance, to be treated.

Telemedicine is a telecommunications technology that can address both these problems, and at the same time, save money for both patients and health care facilities. Patients save because they can be treated in their own hometown rather than being referred to an out-of-town specialist. This saves them transportation and overnight accommodation costs.

Patient cost-sharing payments will also be less if a patient can be treated locally rather than transported to a referral or specialty center. The costs of a local, rural hospital are generally lower than a teaching or specialty hospital. In those cases when a patient must be transferred for specialty care, the availability of telemedicine consultations can speed up when a patient can be transferred safely back home.

Mr. President, a major difficulty in recruiting doctors and other health care providers to rural areas is the professional isolation, the heavy workload, and little or no back-up medical support. Telemedicine can provide lifesaving back-up support for medical emergencies which eases the minds of patients and their families and the doctor taking care of the patient. Telecommunication hookups can reduce the sense of professional isolation and provide for continuing education opportunities. And, over the long run telemedicine can increase training opportunities for health care professionals at rural sites, increasing the chances a doctor or nurse will return to practice in a rural community.

Mr. President, in West Virginia and all across the country, rural hospitals are finding it increasingly difficult to retain patients in the community because specialty physicians have a hard time diagnosing a patient's condition over the phone based only on a verbal description of the problem by the rural physician. Now with telemedicine, many of those rural hospitals can safely and effectively care for their patients instead of referring them elsewhere.

For example in West Virginia, a medical student and a primary care doctor consulted with the chief of neurology at West Virginia University about an elderly Medicare patient. The chief neurologist was able to diagnose the patient's medical condition through telemedicine technology. This saved the patient a 138-mile trip over mountainous terrain to West Virginia University Hospital. The patient instead was able to be treated at the rural hospital and ended up saving the Medicare Program $2,500.

And, of course, when minutes, even seconds, count, having the instant availability of emergency consultations can literally mean the difference between life and death. Just last week in West Virginia, an emergency medical resident staffing a rural hospital emergency room had to treat a patient with a broken neck. The medical resident had never treated a broken neck before, but because the rural hospital had telemedicine capabilities, Dr. John Prescott, the chief of emergency medicine at West Virginia University was able to immediately consult with the doctor on the appropriate treatment protocol. The patient was stabilized and later transferred to a referral hospital.

Our amendment will help bring down a significant financial barrier to the development of telecommunications technology in rural areas: the costs of transmission. While the basic start-up costs for acquiring telemedicine technologies are coming down, transmission costs remain unaffordable. A small, rural hospital in West Virginia reported that the estimated charge for a T1 line to allow them to hook up with a larger hospital for administrative and quality assurance support was an unaffordable $4,300 a month.

The West Virginia University which started a pilot telemedicine project 5 years ago, recently solicited bids for carrier services; three companies bid for the service. The winning bid's monthly charges ranged from $475 a month to $2,200 a month. The highest monthly charge of $2,200 was for a telecommunications hookup with a small rural health center in Greenbrier County, WV with the closest teaching hospital in the area.

The cost of transmission must be lowered if telemedicine is to become economically feasible for many rural communities. Right now the West Virginia telemedicine project is funded by Federal grant dollars. This is true for hundreds of telemedicine projects all across the country. Congress with enthusiastic bipartisan support has encouraged the development of telemedicine technologies all across the country. The Government has provided seed money for telemedicine, but unless we make sure that telecommunication transmission costs are affordable over the long run, many rural health care providers won't be able to continue with these very important projects.

Tommy Mullins, a hospital administrator for a small rural hospital in West Virginia, recently told my staff that ''the $2,000 per month service charge for the T1 is more than I spend for educational programs for my entire staff of 150 employees. If we did not have the grant money to pay for the monthly charge we could not maintain the hookup.''

Mr. President, our amendment is carefully targeted to health care facilities that are providing health care services in rural areas. We have also specifically included academic health centers, teaching hospitals, and medical schools in our amendment. These institutions have been essential partners with rural health providers in planning and creating rural health telemedicine networks and have been leaders in initiating rural health networks. Rural health care providers are generally so overloaded with patient care demands that it is difficult for them to spend the time planning and coming up with the resources to implement a telemedicine program.

In addition, academic health centers bring health professions training programs and continuing education programs to the rural health network which reduce professional isolation for the rural health care providers. Finally, it promotes an increased understanding and sensitivity on the part of the academic health center to many aspects of rural health care.

Mr. President, I am extremely pleased and relieved that the amendment I sponsored with the Senator from Maine, Senator SNOWE, was not stricken from the telecommunications bill. I believe that our provision will have a tremendous positive effect on rural health care. We are already seeing amazing results in terms of quality of care and in improving access to primary and specialty care in rural areas as a result of telemedicine. This amendment will make sure that the important progress we have made in rural health care will continue and expand.

LIMITING ACCESS BY CHILDREN TO INAPPROPRIATE MATERIALS ON THE INTERNET

Mr. ROBB. Mr. President, as you know, the Internet is a remarkable development that has transformed the way people communicate. On the Internet, you can converse on-line with family, friends, and associates across the globe, search untold numbers of data bases on every imaginable subject, and share ideas with millions with the push of a button. The Internet is an enormous highway with few rules. Its simplicity is part of its appeal. But its lack of rules is also a source of considerable concern, because of the widespread availability of materials on the Internet that are entirely inappropriate for children.

Certainly one option is to impose stricter legal penalties for putting offensive materials on the net, and the provisions in the bill accomplish this. I am concerned about these provisions, however, because they challenge first amendment rights and undermine one of the freest, most spontaneous communications media ever devised.

Another approach is to pursue a technological solution. Parents can block

cable TV channels they deem inappropriate for children. We need similar controls for the Internet and other electronic communications media.

Some Internet providers are offering schools a service that denies access to unsuitable Internet sites. One software vendor is now offering a service which identifies and, if a parent desires, filters out inappropriate materials on the Internet. These are encouraging steps, and I hope industry will continue to develop and market such services. These services must be purchased, however, and will not come cheap for all Internet users. Hence a more ubiquitous fix is needed.

Another option, addressed in this amendment, is to include a ''tag'' or ''marker'' in the filename of Internet text or graphics of a mature nature. For example, if an Internet user is preparing to post a file that is of a mature nature, he or she can include a tag such as ''adult'' or ''mature'' in the file name. Similarly, he or she can put this tag in an address—essentially this would mark all files under that address as inappropriate for children. It is then a simple matter for programmers who develop the software that connects users to the Internet to include an optional parental block to filter out all such files. Teachers could use the filter as well.

This amendment simply encourages the Internet community to self-regulate its behavior by adding tags to files that are inappropriate for children. It does not mandate such tags, Mr. President. The amendment encourages vendors of software that links users to the Internet to include a parental block to filter out the tagged files. Finally, it requires the Department of Commerce to promote the program and GAO to study whether the voluntary tags are effective after one year. This amendment does not conflict in any way with the indecency provisions in the bill.

I should note that one industry initiative, announced Monday, involves putting a ''stamp of approval'' on materials judged appropriate for children, where parents can then choose to let their children see only those approved materials. Since the vast majority of material on the Internet is entirely appropriate for children, it is unclear how this idea can be implemented practically. It is nonetheless a useful initiative and complements the approach of this amendment.

This amendment offers only a partial fix, but in concert with appropriate legal penalties and other technical approaches, it will help address a very serious problem.

BELLCORE

Mr. LAUTENBERG. Mr. President, it is my understanding that the interested parties to the Bellcore issue raised during the debate on the manager's amendment have come to an agreement on a statement of goals that outline a mutually agreeable solution to the issue. The parties intend to negotiate legislative language to be included in the final bill.

I ask unanimous consent that the statement of goals be printed in the RECORD.

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

STATEMENT OF GOALS FOR AMENDMENT ON STANDARDS-MAKING AND CERTIFICATION

In addition to the provisions in S. 652 regarding Bellcore manufacturing, the parties agree to negotiate an amendment for adoption in the final act that will:

Ensure that entities engaged in industry-wide telecommunications equipment standards-making use open and non-discriminatory procedures.

Ensure that any entity that is an affiliate of more than one Bell operating company will engage in open, fair, and non-discriminatory establishment of generic network requirements intended to be a significant reference point for more than one Bell operating company in their product specifications, standards-making, and product certification for hardware, software, and related products when such company undertakes an activity for more than one company.

Ensure that Bellcore, if no longer an affiliate of any Bell operating company, will not be considered a Bell operating company, or a successor or assign of a Bell operating company.

Ensure that the Bell operating companies have choices in awarding contracts for the purpose of establishing product and service standards and requirements.

Ensure that vendors selling telecommunications equipment to Bell operating companies have opportunities to have their equipment certified under circumstances that are open, fair, and non-discriminatory.

Ensure that proprietary information submitted in the standards-making and certification processes is not released for any purpose other than that authorized by the owner of such information.

Mr. LAUTENBERG. It is my desire that the parties conclude these negotiations in a timely manner. I will support the product of the negotiations and urge that the Senate accept that product in the final version of this bill. Finally, I would like to thank the Senator from North Carolina for helping to bring the parties back to the negotiating table.

Mr. FAIRCLOTH. I concur with the Senator's statement. It is in everyone's best interest to seek a negotiated settlement. I thank the Senator for his work in getting the parties to agree to the statement of goals. It is an important first step. I understand that the statement of goals is acceptable to all Senators that have expressed an interest in this issue, including Senators HELMS, BRADLEY, DORGAN, EXON, and KERRY. I also understand that the statement of goals is acceptable to the managers of the bill, and that the managers are amendable to including the negotiated legislative language in the final bill.

Mr. PRESSLER. Mr. President, I shall stop speaking the minute either the Majority Leader or Minority Leader walk in the door. I wanted to take this time to make my concluding remarks.

I think this bill will result in lower telephone rates, lower cable rates, and more services to the American people. I think this is a very exciting era, and this bill an historic opportunity. I hope the House acts quickly, and I hope we have a conference as soon as is practicable. I hope a Conference Report can be adopted by both the House and the Senate, and I hope the President will sign the bill.

The intention of this bill is to get everybody else into everybody else's business. It is to promote competition and to deregulate. It has been a struggle because almost everybody in the industry says they are for deregulation. Yes, they say they are for deregulation, but they usually mean deregulation of the other guy.

This is a balanced, bipartisan bill. I think it is truly the first major bipartisan bill we have moved through the Senate this year. We have had our differences, but I believe that this bill will cause an explosion of new jobs. I believe that it will cause a new era, similar to what has occurred in the computer industry.

AMENDMENT NO. 1299, AS MODIFIED

AMENDMENT NO. 1422

AMENDMENT NO. 1423

AMENDMENT NO. 1313

Mr. PRESSLER. Mr. President, I ask unanimous consent that the remaining Breaux amendment be modified with the modification I send to the desk, that the modified amendment be agreed to and the motion to reconsider be laid upon the table, and that it be in order for me to send to the desk two technical amendments and a modification of amendment No. 1313, that they be considered and agreed to, en bloc, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

So the amendments (Nos. 1299, as modified; 1422; 1423; 1313) were agreed to, as follows:

AMENDMENT NO. 1299

On page 123, line 10, add the following new sentence: ''This section shall take effect for each vessel upon a determination by the United States Coast Guard that such vessel has the equipment required to implement the Global Maritime Distress and Safety System installed and operating in good working condition.''

AMENDMENT NO. 1422

In section 623 of the Communications Act of 1934 (as added by section 204 of the bill on page 70), strike ''and does not, directly or through an affiliate, own or control a daily newspaper or a tier 1 local exchange carrier.'' and insert ''and is not affiliated with any entity or entities whose gross annual revenues in the aggregate exceed $250,000,000.''.

AMENDMENT NO. 1423

In section 262 of the Communications Act of 1934, as added by section 308 of the bill—

(1) strike subsection (e) and insert the following:

''(e) GUIDELINES.—Within 18 months after the date of enactment of the Telecommunications Act of 1995, the Architectural and Transportation Barriers Compliance Board

shall develop guidelines for accessibility of telecommunications equipment and customer premises equipment in conjunction with the Commission on the National Telecommunications and Information Administration and the National Institute of Standards and Technology. The Board shall review and update the guidelines periodically.

(2) strike subsection (g) and insert the following:

''(g) REGULATIONS.—The Commission shall, not later than 24 months after the date of enactment of the Telecommunications Act of 1995, prescribe regulations to implement this section. The regulations shall be consistent with the guidelines developed by the Architectural and Transportation Barriers Compliance Board in accordance with subsection (e).

AMENDMENT NO. 1313

On page 116, between lines 2 and 3 insert the following:

(D) Nothing in this section shall prohibit the Commission, for interstate services, and the States, for intrastate services, from considering the profitability of telecommunications carriers when using alternative forms of regulation other than rate of return regulation (including price regulation and incentive regulation) to ensure that regulated rates are just and reasonable.

Mr. DOLE. Mr. President, I think the distinguished Democratic leader would like to speak at this time. As I understand, after he speaks, I will have just a few minutes to speak on my amendment. Then we vote on the Dole amendment and then final passage.

I hope during the two votes I can determine what we will do the balance of the day and the balance of the week, so my colleagues will have some information before 6 o'clock. We are attempting to take up two bills and we are meeting objections from different sides for different reasons on each. We may be able to work that out during the vote.

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. PRESSLER. 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. PRESSLER. Mr. President, citizens in my State of South Dakota often ask me, what does this legislation mean to the State of South Dakota? What does it mean to people living in small cities?

I say a great deal.

First it will mean that a small city will be able to be on the same basis as a big city in terms of getting information. We have CitiBank's credit card operation located in Sioux Falls. We have the Spiegel Catalog telephone mail order facility in Rapid City.

Recently, a team from Georgetown University came to Sioux Falls to start a joint research project on telemedicine. Georgetown is planning to work with a Sioux Falls hospital to establish this telemedicine project.

Recently, I was talking to some of the major universities in this country about partnering with small South Dakota colleges. Modern telecommunications will make such partnerships not only possible, but productive.

I have recently approached one of the largest companies in the United States about doing a project jointly with small companies, using modern telecommunications.

The city of Aberdeen, SD, has a new upgrade digital switch. They are now able to use this capability for telemedicine, to have an interaction with some of the big hospitals as operations are being performed. As a result of the upgrade, a major motel chain, Super 8, was able to locate its nationwide reservation system in the city.

Someone living in a small city or a small town has the same information available as someone in a great city. You do not have to be in downtown New York, downtown Minneapolis, or in downtown Los Angeles to get information, use it and respond to it.

The executive director of the Northeast Council of Governments in my State has sent me a well-prepared report on what new telecommunications will mean in that region of smaller cities in rural areas. She reports that upgrading telecommunications technology has already attracted national companies to Aberdeen, where they have created hundreds of new jobs in the last year.

Other communities are clamoring for upgrades to their communications technology. They know this will help improve the quality of life in their communities.

Faye Kann's report also describes the potential for telemedicine and long-distance learning with an improved telecommunications infrastructure in northeast South Dakota.

I ask unanimous consent to have this report printed in the RECORD.

TELECOMMUNICATION TECHNOLOGY IN NORTHEAST SOUTH DAKOTA

(By Faye Kann)

Competition in the telecommunications arena could benefit rural areas such as northeast South Dakota. The SD Public Utilities Commission worked very hard to help Aberdeen and the region upgrade the telecommunications capabilities in order to effectively compete for business retention and creation. With the availability of competition, the upgrade of technology equipment could have occurred earlier.

In 1994–5, approximately 400 jobs have been newly created or retained in Aberdeen due to the upgrade of telecommunications technology and the ability for rapid data transmission. Four separate national and local entities saw the opportunity to utilize upgraded telecommunications equipment but needed the assistance of the state PUC in order to obtain the equipment upgrades. Companies such as Super 8 reservation systems, Howard Johnson's Reservation system, Aman Collection Company, and Student Loan Finance Corporation are among companies that added employees due to the technology upgrades. Without the telecommunications upgrade, one of these companies would have located in another state instead of South Dakota.

Those upgrades include the installation of SwitchNet 56, ISDN lines, and Signal 7 technology. That more up-to-date technology has enabled those companies to locate and maintain their companies in Aberdeen and keep jobs in northeast South Dakota. The increased payrolls and job opportunities have added to the number of jobs available to a broad spectrum of age groups employed in telecommunication agencies. The general nature of telecommunications jobs allow for flexible work schedules to accommodate workers from all age groups to interact both professionally and to maintain their excellent quality of life in South Dakota.

Other communities in northeast South Dakota such as Britton, Eureka, and Gettysburg are actively seeking job growth due to upgrades in telecommunications equipment throughout the region. Manufacturers in Britton such as Horton Industries and Sheldahl, Inc. with approximately 400 employees are currently using telecommunications equipment to communicate with their suppliers, markets, potential contracts and corporate headquarters. Use of the telecommunications equipment allows for quick, effective two-way interaction in the design stage before production.

Another component of the telecommunications industry focuses on long distance learning. The statewide Rural Development Telecommunications Network (RDTN) allows higher education to offer classes for students across the state. Schools in communities such as Groton, Frederick, and Webster in northeast South Dakota utilize cost efficiencies and class offerings that are available with telecommunications through the North Central Area Interconnect (NCAI) system. Continuing education for communities and school district staff allow for future development and curriculum enhancement.

Northern State University is moving ahead with expanding the connections on campus. The campus infrastructure would allow all video/audio conferences, meetings and instructional programs to be shown in the individual classrooms. Many classrooms, one existing microcomputer lab, and a new multi-media based Instructional Classroom will be connected to the LAN network. This classroom will be equipped with appropriate printers, scanners, and display equipment as well as a fully interactive video-conferencing component.

In addition, telemedicine is being used in the experimental stage in the region. The impact of the next phase of the regional telecommunications upgrade will place the high resolution telecommunications equipment in outlying clinic for patient diagnosis and effective utilization of physician's assistants and nurse practitioners. Those types of clinics are in communities where doctors are unwilling or unable to locate. The aging population as shown in the demographics of South Dakota rate health care as one of the top concerns.

Another community which is a good example of the need for state-of-the-art technology for a point of presence and fiber optics is Huron. Several major employers have considered Huron for economic development expansion but because of the lack of access and equipment, jobs and economic opportunity were denied in the northeast region of South Dakota. When checking with telecommunications companies who provide the necessary equipment, the cost to benefit ratio is not attractive in the rural areas and therefore equipment has not been installed and access is denied.

Education, government, and business are supporting the creation of CityNet in Aberdeen. The local cable company is upgrading its system with the installation of a large fiber-optic cable network. In addition to the cable company's normal services, this fiber-

optic infrastructure will be used to connect various entities (K–12 education, higher education, all levels of governments, health care, and individual homes and businesses). The uses for the network are virtually limitless and offer a means for connections not only within the community but to the world as this network connects with other networks.

Competition coupled with universal service is a must for rural states to have access for all citizens. If major telecommunications networks such as Internet access are denied in the rural areas, state-of-the-art technology will be deployed only in the mass markets with dense population where the providers are able to obtain cost-benefit ratios which are attractive to the provider. It is imperative that Congress understand this issue. Aberdeen hosts an annual telecommunications conference and was the first demonstration nationwide with an interactive two-way audio/video link over the public switched network with the US Senate Recording Studio in 1994. We invite interested parties to northeast South Dakota to view our projects and partake in demonstrations of the effect of utilization of the technology.

Mr. PRESSLER. Mr. President, I have received a letter from Laska Schoenfelder, public utilities commissioner of the State of South Dakota. Commissioner Schoenfelder has many years experience working to support South Dakota consumers and to help provide them better telecommunications services. She enthusiastically endorses S. 652.

Commissioner Schoenfelder writes, ''This bill will allow Americans greater access to communication services at an affordable price which can only be achieved through a competitive market. The bill also preserves universal service, which is vital to rural states.''

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

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

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION, STATE CAPITOL BUILDING,

Pierre, SD, June 9, 1995.

Memo to: Senator LARRY PRESSLER.

From: Laska Schoenfelder, SD Public Utilities Commissioner.

Re SD 652.

Residential and business consumers of communication services will be the real winners if Senator Pressler's bill, the Communication Act of 1995 (SB 652), passes.

While South Dakota has promoted telecommunications competition at the state level this bill will be a boon for economic development in all states. This bill takes a step forward in recognizing the essential role of the State in promoting fair competition.

This bill will allow Americans greater access to communication services at an affordable price which can only be achieved through a competitive market. The bill also preserves Universal Service which is vital to rural states.

Mr. PRESSLER. Mr. President, competition and deregulation will bring great benefits to South Dakota and other States with small cities.

For example, the bill is designed to rapidly accelerate private sector development of advanced telecommunications and information technologies and services to all Americans by opening all telecommunications markets to competition.

A recent series of television commercials have shown people sending faxes from the beach, having meetings via computer with people in a foreign country, using their computer to search for theater tickets and a host of other services that soon will be available. My bill would make those services available even sooner by removing restrictive regulations.

A person living in Brandon could work at a job in Minneapolis or Chicago, students in Lemmon would be able to take classes from teachers in Omaha, and doctors in Freeman could consult with specialists at the Mayo Clinic. Telecommunications can bring new economic growth, education, health care and other opportunities to South Dakota.

Competition in the information and communications industries means more choices for people in South Dakota. It will also mean lower costs and a greater array of services and technologies. For instance, competing for customers will compel companies to offer more advanced services like caller ID or local connections to on-line services such as Prodigy and America On-Line.

It hasn't been that long since Ma Bell was everyone's source for local phone service, long distance service and phone equipment. Now there are over 400 long distance companies and people can buy phone equipment at any department or discount store. Under my bill, eventually people would be able to choose from more than one local phone service or cable television operator.

This new competition also should lead to economic development opportunities in South Dakota. People will be able to locate businesses in towns like Groton and Humboldt and serve customers in Hong Kong or New York City. We are entering an exciting, historic era. I want to spur growth and bring new opportunities to South Dakota and everywhere in America.

Mr. President, we are reaching the close of this debate and a vote on final passage of S. 652. I am confident we are about to approve telecommunications reform by a wide margin.

This reform is not a partisan issue. This is the first major bipartisan legislation of the 104th Congress. I want to thank my comanager, the Senator from South Carolina, for his leadership. Today's vote will bring to fruition a project he has been working on for many, many years. I want to thank the majority leader and the minority leader for their indispensable efforts for passage of this bill.

The bill we are about to pass will break up monopolies. It will tear down competitive barriers. It will open up communications networks.

Mr. President, every American household and every business large and small, uses the services we are about to make more competitive. The bill we are about to pass will give the American people unprecedented freedom to choose.

After this bill is signed and implemented, Americans will be free to choose from competing local phone companies. This is unprecedented. It will lower prices. It is pro-consumer.

S. 652 will give Americans freedom to choose among more long-distance companies. This will cut prices. This is pro-consumer.

This bill will usher in a new era of robust competition in cable TV. It will, in effect, break up all the cable TV monopolies. This will give consumers more freedom to choose. It will cut prices. It will expand services. This, too, is pro-consumer.

S. 652 will let electric utility firms get into the phone or cable business if they wish. It will give broadcasters new flexibility to use new digital technology to offer multichannel programming with the same allocated spectrum that formerly could carry only one channel. This, Mr. President, dramatically gives consumers more freedom to choose.,

No earlier legislation concerning cable prices—neither the deregulation of 1984 nor the reregulation of 1992—included these powerful procompetitive reforms.

This reform bill is historic. It is strongly bipartisan. It deserves the President's support.

Some who still oppose our reform bill are trying to get the President's ear. They say this bill will lead to more concentration in the communications business. I say that is a myth.

Concentration is what we have had under the old, 1930s-era system of government-created monopolies. Breaking up the monopolies and lifting burdensome regulation will give room for more entrepreneurs to compete.

Just consider other segments of the information industry, segments which did not strain under regulation and the monopoly model:

Fax machines aren't regulated or organized into a government-sanctioned monopoly. Just look at how prices have dropped, quality has improved, and sales have soared.

So it is, too, with cellular phones and pagers.

The computer market now gives consumers 200 times more value, in terms of lower price and greater power, than it offered just a decade ago.

Freedom for consumers and entrepreneurs did not lead to concentration in the computer business. No, quite the contrary. There have been winners and losers, large and small. Hundreds of start-up firms have flourished, including Gateway 2000 in my State of South Dakota. Meanwhile the biggest computer firm of all has seen a huge loss in market share and has been forced into significant restructuring. Free market capitalism breeds a kind of creative destruction of big businesses. This is good for continuing innovation and renewal in business. It is clearly pro-consumer.

Mark my word, in the years after this bill comes into force, it will have helped bring about the rise of exciting new firms which do not exist today. It will have helped usher in industry segments which have no lobbyists in the reception room today—industry segments which do not even exist at this time.

This bill will accelerate the digital revolution. Through digitization, the very same data can travel through space from satellites, over the atmospheric spectrum, through coaxial cable, fiber-optic threads or copper wire. The same digitized data can be stored on computer disks or drives, displayed on computer screens, or played on audio or video disk players. The trends of technology are erasing old distinctions between cable TV, telephone service, broadcasting, audio and video recording, and interactive personal computers.

But in many instances, the only thing standing in the way of consumers and businesses enjoying cheaper and more flexible telecommuncations services is our outdated law. This reform bill will allow the cable, telephone, computer, broadcasting, and other telecommunications industries more easily to converge and transform themselves.

The information industry already constitutes one-seventh of the U.S. economy. Worldwide, the information marketplace is projected to exceed $3 trillion by the close of the decade.

Digital convergence, more communicating power, and wide-open competition is what consumers want. It is what American businesses need to stay competitive with the rest of the world. It will come soon if the President signs this reform legislation.

Mr. DOLE. Mr. President, I thank the Senator from South Dakota for yielding and congratulate him for the outstanding job he has done, as well as the Senator from South Carolina, for their teamwork, efforts, and partnership that produced a historic bill.

No question about it, this is one of the most important pieces of legislation we may have passed so far this year. Others may have different views. But it is near the top of the list.

The Senator from South Dakota, Senator DASCHLE, the Democratic leader, is in a meeting, so I will make my little statement on my amendment, and then we will vote on that. After that vote, he will make a very brief statement and then we will vote on final passage. Is that satisfactory?

Mr. HOLLINGS. Yes.

AMENDMENT NO. 1341

Mr. DOLE. The vote will occur in a minute on the so-called Dole amendment.

It was explained earlier, but I want to make myself perfectly clear, this amendment is about allowing private interests—not big Government—to work out their own problems.

I thought that is why we were considering this bill in the first place. The telecommunications industry is currently one of the most regulated industries in the United States. Unfortunately, the provisions in question regulate prices.

The point is that business should be allowed to negotiate. As I have pointed out, the provision I have proposed to delete would prohibit such negotiation, and amounts to rate regulation. It is that simple—no more, no less.

The language is there. We had negotiations and worked on their differences. I do not know about all the discussion of the Senator from Nebraska. I am not involved with all that.

The provision I proposed was supposed to stop some players from taking advantage of small operators. There is no question it would do that, but it would also hurt those in fair deals. It solves the problems and creates a new one.

The bill's provision also does not treat all programmers evenly, and only applies to those affiliated with cable TV companies, meaning nonaffiliated programmers not under these pricing restrictions. That means they would have an unfair competitive advantage.

Not only does the bill regulate the price of programming, but it is anticompetitive. That is not what this bill is about. I printed in the RECORD earlier letters from Turner Broadcasting, representing the Discovery Channel, the Black Entertainment Network, and also—I do not have the letter with me now—all the small cable companies, the National Cable Television Cooperative, and they are all in support of the bill.

I have heard the comments of the Senator from Nebraska. He is entitled to his own interests, but I assure him, my interest in this amendment is consistent with the intent of this bill—getting Government off the backs of business and benefiting consumers.

I hope the amendment I am offering will pass. I think it will have bipartisan support.

I yield back my time and I ask for the yeas and nays.

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

The yeas and nays were ordered.

Mr. DOLE. Following the vote, the Senator from South Dakota, Senator DASCHLE, will be recognized, and then we will have final passage.

The PRESIDING OFFICER. Is there further debate on the Dole amendment?

Mr. BREAUX. Mr. President, I would use this opportunity to commend both the ranking member of the committee, the Senator from South Carolina, and the chairman of the committee, for the good work they have done.

This has not been an easy process, I say to all of our colleagues. We have worked on this for not just a couple of days on the floor, but we have been working on this legislation for several years.

In the last Congress, all Members of the committee spent 2 years on this communications bill, and then again the better part of this year, working on trying to bring this product to the floor.

There has been a great deal of compromise. There has been a great deal of trying to balance the very competing interests in order to get a 1995 communications bill.

I think it is important that all of our colleagues realize that this country has been run by the 1934 Communications Act. That is hard to believe that we have been operating under an act that is 60 years old. Does anybody think that the communications technology of 1995 is anywhere similar to the communications technology of 1934? The answer is, of course, no.

The reason everybody has been in court is because Congress was unable to get an agreement that wrote a modern 20th century bill to govern all the decisions about who does what.

This legislation makes some fundamental points. That is that we are going to create more competition. Competition is good for society. It is good for consumers. It is good for the development of new technology. This legislation is a fragile compromise. Almost everyone in the industry would like to have more. Some would like to have guarantees with regard to what they can do and what they cannot do.

We were trying to really create a bill that was fair to all of our American industries and fair to the American consumer. I think that while this bill is certainly not perfect—nothing we ever do is—certainly, it represents a major milestone in the communications legislation that has been brought before the Congress over all of these last 60 years since the first passage of the 1934 Communications Act.

I congratulate all the members of the Commerce Committee for their input, their suggestions. We have had a lot of cooperation on the floor. A lot of very difficult things have been worked out. I think that is good.

With regard to the Dole amendment, I happen to agree with it. I think the amendment by Senator DOLE really will encourage more competition and will encourage small cable companies to be able to form cooperatives like they are doing in order to be able to get discounts because they purchase cable services in volume just like the larger cable companies will be able to get volume discounts because they buy large amounts of products from the various producers. I think the Dole amendment really does try to promote additional competition. I think in that sense—it does allow cooperatives to be formed—there is nothing wrong with that.

There was a lot made about who does this benefit and what-have-you, I think it benefits the consumer. I think the Dole amendment is a good consumer amendment. It encourages small cooperatives and cable companies to be able to deliver services at a better rate. There is nothing wrong with that. It allows large sellers of cable services to

get volume discounts. The ultimate benefit of all of this is the American consumer.

I think the ultimate benefit of the entire package we have before the Congress is the American consumer and those who bring about the technology for the 21st century. If there is one thing the United States of America excels in—there are so many things, but one thing is the entertainment industry, the telecommunications industry. We can be proud of that. Other countries would love to have what we have in this country. This bill ultimately will make all of that a lot better and we will all benefit from that product.

So I support an affirmative vote on the Dole amendment and certainly support the passage of the telecommunications act that is now pending.

I yield the floor.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. PRESSLER. I thank the Senator from Louisiana. He has been at the forefront every step of the way in this bill and we could not have done it without his bipartisan effort. His staffers, Thomas Moore, who has now gone on to an appointment, and Mark Ashby, have been in the night meetings, night after night.

I thank the Senator from Louisiana from the bottom of my heart.

The PRESIDING OFFICER. Is there further debate on the Dole amendment?

If not, the question is on agreeing to the Dole amendment, No. 1341. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. MACK (when his name was called). Present.

Mr. LOTT. I announce that the Senator from Utah [Mr. HATCH] is necessarily absent.

I further announce that, if present and voting, the Senator from Utah [Mr. HATCH] would vote ''yea.''

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

The result was announced—yeas 59, nays 39, as follows:

[Rollcall Vote No. 267 Leg.]

YEAS—59

Abraham	Faircloth	McConnell
Ashcroft	Feinstein	Moseley-Braun
Baucus	Frist	Murkowski
Bennett	Grams	Nickles
Bond	Grassley	Packwood
Breaux	Gregg	Pressler
Brown	Hatfield	Reid
Bryson	Heflin	Roth
Burns	Helms	Santorum
Campbell	Hutchison	Shelby
Chafee	Inhofe	Simpson
Coats	Jeffords	Smith
Cochran	Kassebaum	Snowe
Coverdell	Kempthorne	Specter
Craig	Kennedy	Stevens
D'Amato	Kerry	Thomas
DeWine	Kyl	Thompson
Dodd	Lott	Thurmond
Dole	Lugar	Warner
Domenici	McCain	

NAYS—39

Akaka	Bingaman	Bradley
Biden	Boxer	Bumpers
Byrd	Gramm	Mikulski
Cohen	Harkin	Moynihan
Conrad	Hollings	Murray
Daschle	Inouye	Nunn
Dorgan	Johnston	Pell
Exon	Kerrey	Pryor
Feingold	Kohl	Robb
Ford	Lautenberg	Rockefeller
Glenn	Leahy	Sarbanes
Gorton	Levin	Simon
Graham	Lieberman	Wellstone

ANSWERED ''PRESENT''—1

Mack

NOT VOTING—1

Hatch

So, the amendment (No. 1341) was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. DASCHLE. Mr. President, telecommunications reform legislation was a focus of the last Congress. Unfortunately, election-year politics prevented then-Chairman HOLLINGS from bringing the bill to the floor for a vote.

This year, with changes and modifications that are inevitable given the political change in the make-up of the Congress, a new telecommunications was brought to the Senate floor.

This is complex and potentially far-reaching legislation. It will affect an economic sector that constitutes 20 percent of our economy and whose services reach virtually every American.

I want to commend the ranking member of the Senate Commerce Committee, Senator HOLLINGS, whose patience and efforts have done a great deal to bring this measure to its present state. Senator HOLLINGS' work in the last Congress, and in this, has been focused on developing a bill that will enhance true competition in the telecommunications field without shortchanging American consumers.

From the beginning, our nation has understood the significance of communications and transportation. It is not an accident that the words of the Constitution require the Congress ''To establish Post Offices and post Roads.'' The Founders could not have known that one day the roads would be fiber networks and the post offices would be e-mail. Yet that is where we have arrived.

When Congress first confronted the need to legislate for an entirely new technology, it produced the Communications Act of 1934. The regulated monopoly that was legislated into existence by that law was the best outcome then possible. And the old Bell system gave Americans the cheapest, most efficient universal telephone service in the world.

In fact, consumer resistance to the breakup of the Bell phone system was widespread in the early 1980's. Americans feared that the courts were breaking up something that worked well and might replace it with something that didn't.

We know today that those fears were unfounded. Competition in phone service has been a boon to American consumers. Long-distance rates are the lowest in the world. Equipment is cheaper and better-made. Competition has spurred innovation and improved customer service.

At the same time, it's important to remember and learn from our experience. The concept of universal service was at the heart of the old 1934 Communications Act. It is a New Deal era concept that is as valid today as it has proven to be over the decades.

When the reach of a technology is limited by cost, innovation and progress remain slow. But as soon as a technology is within reach of a broader sector of the population, an explosion of invention, development and innovation takes place. We have seen that happen in computers, in personal communications services, in wireless cable transmissions and countless other applications. Twenty years ago, calculators were sophisticated and relatively costly devices. Today they're offered as advertising promotions.

While legislation focuses on competition and deregulation, the bill before us also contains essential rural safeguards. It would create a Federal-State joint board to oversee the continuing issue of rural service and to monitor and help evolve a definition of Universal Service that makes sense for the present day and for the kinds of services that will be coming on-line. It does not demand unrealistic competition in towns of 50 households.

Our own history teaches us that it is good economics for the private sector as well as the public sector to make universal service a reality for all Americans, no matter how small their community. I believe this is still the case, and I believe it is particularly important to preserve the viability of rural communities in this respect.

The legislation before us recognizes the need to redefine universal service in terms of developing technology and products. The joint Federal-State board created by the bill is essential to making certain this function is fulfilled.

The bill before us also recognizes the important role that must be played by State Public Utilities Commissions. PUCs are the best entities to judge whether a given market within their State can or cannot support competition. That's not a judgment we should make from Washington.

Nor is it something we can or should leave to the unbridled, unsupervised judgment of the private sector. Those who have taken the risks and made the investments to extend cable or phone service to smaller rural communities should not now be placed at risk of being overwhelmed by larger, better-financed companies.

As Congressman ED MARKEY has said, that's not competition, it's ''communications cannibalism.'' State PUC's will be able to judge where communities can sustain competition and

where they cannot. We should preserve the viability of the Universal Service Fund, for that reason as well.

The purpose of the bill before us is to create the competitive, free market environment that will most efficiently bring the Information Superhighway into existence for all Americans. I don't believe anyone disagrees with that key to achieving that goal is competition. The Senate's task is to ensure that the competitive elements in the bill do the job.

The best outcome is one that brings on line the new products and services that Americans want at a cost they're willing and able to pay. Not only will consumers benefit, but the process of creating new services and products will be a substantial engine of job creation.

The present economic recovery has been a period of exceptionally strong job creation. Under the Clinton administration, 6 million new jobs have been created, more in he first 2¼ years of this administration than in the preceding 8 years of the Reagan-Bush administration.

Democrats believe the key to longlasting economic growth and expansion is the creation of more jobs and higher income for working families. When Americans are working and earning good wages, our economy prospers and we can invest for the future well being of our children. The passage of the bill before us will help continue this pattern of job creation as our information-based economy creates significant employment opportunities. That will mean more families can send their kids to college, buy a home, and save for their own future. That is the best economic program and the best social program any nation can have.

This technology also means new opportunities for innovative economic development. I am in the process of working with a tribal college now on ways to market native American and agricultural products through the Internet. The technology that is helping do this is breaking down the geographic and technical barriers that have retarded our movement to a more information-based economy.

There is little doubt that our urban areas can and will sustain an enormous expansion of telecommunications services in the years ahead. We must make certain that our rural areas are not left behind as services expand and new products come on line. In the long run, universal service at high standards nationwide is in the best interests of the entire country.

In addition, we must not neglect the role of the public sector in the new telecommunications world. Schools, public libraries, state universities, all should have the ability to share in and disperse the benefits of the telecommunications revolution.

Senators ROCKEFELLER and SNOWE offered an amendment in committee to make certain that the public sector's ability to connect with the Internet and other information services is enhanced. That's important, not only to prevent stratification into information-rich and information-poor populations and regions, but to assure that all our children have the tools with which to enter the 21st century work force.

While the bill before us is far from perfect, it has been significantly improved over the course of the past 6 days. Senator HOLLINGS and I introduced an amendment that strengthens the bad actor test in the cable provisions.

It also places reasonable limitations on the ability of cable and telephone companies to eliminate each other as potential competitors through buyouts and mergers, except in rural areas where competition may not be viable.

Finally, our amendment, which was adopted, allows small telephone companies to jointly market local exchange service with long distance service providers that carry less than 5 percent of our nation's long distance business. This will allow consumers to realize the benefits of competition in the local telephone exchange, while preserving the competitive balance between the Bell companies and major long distance carriers.

I believe the provisions in our amendment strike a better balance between consumer protections and market deregulation. These safeguards are designed to protect consumers by expanding services and keeping them affordable.

This bill is a reasonable and balanced one, and it deserves the Senate's support.

Mr. DOLE. Mr. President, gentlemen start your engines, because we are about to pass telecommunications reform that will be the roadmap to our Nation's future.

When we started floor consideration of S. 652 more than 1 week ago, I noted that this was just the beginning. A beginning of a new era of leadership for the telecommunications industry and for America. While some see America's power dwindling, I see it growing. I see our renaissance, and its called the information age. America's years of leadership in telecommunications, whether it was inventing the telegraph or the microchip, gives us the right to lay claim to this future. We have earned it. We must now reach out and take it.

RECOGNIZING SENATOR PRESSLER'S HARD WORK

And one person who deserves a good deal of credit for making this new era a reality is Senator PRESSLER. As all Members know, telecommunications reform is a tough, complex, and often contentious issue. Congress has struggled with it for more than a decade, with no success. And along comes Senator PRESSLER. He tackled this issue and has moved it through the Senate in record time. His tenacity proves that the Senate is capable of delivering on the toughest issues.

Not only did he have to fight competing interests, but also the White House. Senator PRESSLER has won, the Senate has won, and America has won.

The bill also could not have been possible without Senator HOLLINGS. Both Senators PRESSLER and HOLLINGS have done an outstanding job at bringing the competing interests together, or as close together as possible.

THE REAL JOBS STIMULUS PACKAGE

No doubt about it, telecommunications reform is the real jobs stimulus package. Except this one relies on the private sector to create those jobs. And it will.

Thousands of jobs will be necessary to build new communications networks. And that's just the beginning. Studies indicate that millions of more jobs will be created because information will become more accessible, jobs that will make America more efficient, more productive, and ultimately more powerful.

While some may argue that it is not the perfect bill, its message is right—competition, not government, is the best regulator. Competition, not regulation, has the best record for creating new jobs, spurring new innovation, and creating new wealth. It's that simple.

Competition and deregulation are also the only ways to accommodate the explosion of new technology.

CONCLUSION

Mr. President, removing the telecommunications industry's shackles is not about politics as usual. It is not about Republicans versus Democrats. It is about providing all Americans, rich or poor, urban or rural, a better future. I believe that a procompetition, deregulatory telecommunications bill can help make that future a reality.

Mr. PRESSLER. Mr. President, I ask unanimous consent that S. 652, as amended, be printed in the RECORD immediately following the final vote.

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

Mr. PRESSLER. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The question occurs on the passage of S. 652, as amended. The yeas and nays have been ordered.

Mr. PRESSLER. Mr. President, I ask unanimous consent to have Senator HOLLINGS added as a cosponsor.

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

The question occurs on passage of S. 652, as amended.

Mr. DOLE. Mr. President, just let me indicate to my colleagues, as I said earlier before many were here, we hope to determine the balance of the schedule this evening and tomorrow before 6

o'clock this evening, and so we will try to let everybody know by then what the schedule will be. Hopefully, it will not be too heavy. It depends on how this bill comes out.

I will let Senators know in a few minutes.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Utah [Mr. HATCH] is necessarily absent.

I further announce that, if present and voting, the Senator from Utah [Mr. HATCH] would vote ''yea.''

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

The result was announced—yeas 81, nays 18, as follows:

[Rollcall Vote No. 268 Leg.]

YEAS—81

Abraham	Feinstein	Lott
Akaka	Ford	Lugar
Ashcroft	Frist	Mack
Baucus	Glenn	McConnell
Bennett	Gorton	Mikulski
Biden	Gramm	Moseley-Braun
Bond	Grams	Murkowski
Bradley	Grassley	Murray
Breaux	Gregg	Nickles
Brown	Harkin	Nunn
Bryan	Hatfield	Pell
Burns	Heflin	Pressler
Campbell	Helms	Robb
Chafee	Hollings	Rockefeller
Coats	Hutchison	Roth
Cochran	Inhofe	Santorum
Cohen	Inouye	Sarbanes
Coverdell	Jeffords	Shelby
Craig	Johnston	Simpson
D'Amato	Kassebaum	Smith
Daschle	Kempthorne	Snowe
DeWine	Kennedy	Specter
Dodd	Kerry	Stevens
Dole	Kohl	Thomas
Domenici	Kyl	Thompson
Exon	Lautenberg	Thurmond
Faircloth	Levin	Warner

NAYS—18

Bingaman	Feingold	Moynihan
Boxer	Graham	Packwood
Bumpers	Kerrey	Pryor
Byrd	Leahy	Reid
Conrad	Lieberman	Simon
Dorgan	McCain	Wellstone

NOT VOTING—1

Hatch

So the bill (S. 652), as amended, was passed.

(The text of S. 652, as passed, will appear in a future edition of the RECORD.)

Mr. PRESSLER. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PRESSLER. Mr. President, I thank everybody involved. I thank the majority leader and minority leader. I have already thanked the staff. I am feeling like this Chamber was almost a funeral parlor this afternoon, we had so many good words said about everybody.

I yield the floor.

Mr. DOLE. Mr. President, let me indicate, as I did earlier, that this is a tremendous vote—81 to 18. It is a very significant piece of legislation that has passed this Chamber, largely through the efforts of the distinguished Senator from South Dakota [Mr. PRESSLER].

It is not a perfect bill. I understand that almost everybody finds something wrong with it, which probably means it is not that bad; it is probably a very good bill. I think it is a very important piece of legislation. I thank all my colleagues on both sides of the aisle for their cooperation.

I do not think we took too much time. On a bill of this magnitude, it takes a little longer on the Senate side, and it probably should, as the Senator from Illinois [Mr. SIMON] said earlier today.

I thank the Democratic leader, Senator DASCHLE, for his cooperation throughout the debate.

Mr. President, I have had a discussion with the Senator from South Dakota, [Mr. DASCHLE], the Democratic leader, and I outlined to him what I would like to do. First, I will ask unanimous consent that we go to S. 440—I will not ask it now—and I understand there will be an objection. Then I will move to the consideration of S. 440, and I understand the Senator from Massachusetts, [Mr. KENNEDY], and others will at that point discuss the motion to proceed.

If that would be the case, there would be no votes tonight and no votes tomorrow. Then we would try to work out something to accommodate our colleagues on Monday.

So I do not want to make the request until the Senator from South Dakota indicates it is all right to do so.

Mr. DASCHLE. If the majority leader will yield. Let me just speak very briefly, because I know there are other Members that need to conduct business. I share the sentiment expressed by the distinguished majority leader about the bill just passed. It may not be everything we all want, but it represents a real achievement.

I commend the distinguished Senator from South Dakota and certainly the ranking member, the distinguished Senator from South Carolina, for all of the effort he has put forth in the last seven days to accomplish what we have now. A number of people had a lot to do with bringing us to this point. It represents a balance between providing new opportunities and communications to provide the flexibility and the freedom to go out and do what we must to build the information superhighway. But it also represents a desire on the part of many to protect consumers as we conduct that construction.

So I hope very much that we can move this legislation through the remaining parts of the legislative process here and accommodate all Senators as we attempt to pass this very significant piece of legislation.

ORDER OF PROCEDURE

Mr. DOLE. I failed to announce no more votes this evening, and no votes tomorrow. For Monday, I will make that announcement before I leave here tonight, so Members will know what the schedule will be on Monday. I need to discuss that with the Senator from South Dakota, Senator DASCHLE.

EXPRESSING GRATITUDE TO SHEILA P. BURKE FOR HER SERVICE AS SECRETARY OF THE SENATE

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Resolution 134, submitted by myself and Senator DASCHLE.

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

The clerk will report the resolution.

The legislative clerk read as follows:

A resolution (S. Res. 134) expressing the Senate's gratitude to Sheila P. Burke for her service as Secretary of the Senate.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. DOLE. Mr. President, I ask unanimous consent that the resolution be agreed to, that the preamble be agreed to, and the motion to reconsider be laid upon the table, and that any statements on the resolution be placed in the appropriate place in the RECORD.

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

So the resolution (S. Res. 134) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 134

Whereas Sheila P. Burke faithfully served the Senate of the United States as Secretary of the Senate from January 4, 1995 to June 8, 1995, and discharged the difficult duties and responsibilities of that office with unfailing devotion and a high degree of efficiency; and

Whereas since May 26, 1977 Sheila P. Burke has ably and faithfully upheld the high standards and traditions of the staff of the Senate of the United States for a period that includes 10 Congresses, and she continues to demonstrate outstanding dedication to duty as an employee of the Senate; and

Whereas through her exceptional service and professional integrity as an officer and employee of the Senate of the United States, Sheila P. Burke has gained the esteem, confidence and trust of her associates and the Members of the Senate: Now, therefore, be it

Resolved, That the Senate recognizes the notable contributions of Sheila P. Burke to the Senate and to her country and expresses to her its appreciation and gratitude for her long, faithful and continuing service.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to Sheila P. Burke.

NATIONAL HIGHWAY SYSTEM DESIGNATION ACT—MOTION TO PROCEED

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to consideration of S. 440, the highway bill.

Mr. WELLSTONE. Mr. President, I object.

The PRESIDING OFFICER. The objection is noted.

Mr. DOLE. I move to proceed to the consideration of S. 440.

The PRESIDING OFFICER. Does any Senator wish to debate the motion?

Mr. DOLE. I will yield to the Senator from Minnesota.

Mr. WELLSTONE. Mr. President, a few weeks ago, we in the Labor Committee held a single hearing on Senator KASSEBAUM's legislation to repeal outright Davis-Bacon, which has been in law for over 60 years.

Last year, we worked long and hard on an alternative Davis-Bacon reform bill on which there had been bipartisan support. That was a responsible effort to deal with this issue and update the law.

Today, with little warning, the highway bill is being brought to the floor, which contains a provision to repeal Federal prevailing wage-rate requirements for highway construction, known as the Davis-Bacon law.

This is part of the larger assault on working families, in this case, families of highway construction workers who make between $20,000 to $30,000 a year.

This is central to the Republican agenda, and it is all in the name of deficit reduction—all while we protect the large military contractors, big corporations with huge tax breaks, oil companies, and others who have long been subsidized by the Federal Government.

Today, without any additional hearings or time for reflection or careful consideration of reform alternatives—and my colleague from Massachusetts will be speaking on this in just a moment—we are faced with a bill that would overturn 60 years of labor law related to Federal highway construction in a single moment.

Why is that? Could it have anything to do with the fact that the large trade association of mostly noncontract, nonunion contractors is in town this week? And this measure is suddenly brought to the floor now, simply to fly the flag for anti-Davis-Bacon forces who would try to turn the clock altogether on prevailing fair-wage standards.

I do not know, Mr. President, but I am surprised by how suddenly the Senate's schedule was changed to bring this up. I thought we were going to turn to regulatory reform or Bosnia or welfare reform. Apparently the majority leader has other priorities.

Mr. President, as a Senator from Minnesota, I am opposed to this attempt to slash wages of working families, families who dig our roadbeds, pour our tar, flag us to a stop at construction sites or do any other number of hard and sweaty jobs at construction sites and highway sites across this country.

That is not a priority that I am willing to go along with. I will fight any effort to cut the wages of working families as hard as I can.

I imagine over the next several days, we will have a considerable amount of discussion on this issue. We should be clear. This repeal effort is part of a larger systematic assault on the wages and living standards of working families.

Mr. President, it is a mistake. We have cuts in Medicare, cuts in Medicaid, cuts in job training, cuts in school lunches, education, and now cuts in the wages of working families.

Just name it, the majority has proposed it and are trying to program it through the Congress at a breakneck speed. We intend to slow it down. We intend to oppose it. This highway bill on its own merits ought to be debated and is an important piece of legislation. To try to put this amendment into the highway bill and essentially overturn over 60 years of people's history I think it is a huge mistake. Of course, that is what this debate will be about.

Mr. President, let me just say a few words specifically on Davis-Bacon itself and prevailing wage rates that it requires on certain Federal projects.

Mr. WARNER. Would the Senator allow me to, in the way of a question, make a brief comment about why we did this?

I was the Senator that brought up the amendment in the Committee on Environment and Public Works. I did so in my capacity as chairman of the subcommittee with the responsibility for this piece of legislation.

I say to my good friend, Mr. President, it was in no sense chicanery or subversion. It was done quite openly. This is an issue, Davis-Bacon, on which many who have had the privilege of serving the institution for many years have had a very clear difference of opinion. That difference of opinion is shared widely across this Nation. We will develop that in the course of the debate.

Mr. President, I am delighted to have the opportunity to debate with my good friend from Minnesota, my good friend from Massachusetts, and others who will engage in this very important debate. We should not start out with a characterization that there is any attempt on this side to do so by way of anything other than an absolute clear and full discussion of this issue in full view of everybody. Then it is my hope an up or down vote can be had here in the U.S. Senate on this issue. Each Senator can express for himself or herself their views on this.

I thank my distinguished colleague for allowing me to speak.

Mr. WELLSTONE. Mr. President, I say to my colleague from Virginia, and I thank him for his remarks, that I just want to be clear I am speaking for myself, that I am very interested in this highway bill.

It is an important piece of legislation. We have been working for several years on reform of Davis-Bacon, not repeal. A lot of work has gone into that. But all of a sudden to have this become a part of this piece of legislation, I say to my colleague, I think is a profound mistake.

Speaking just for myself, I would point out that only today did I hear that this was going to be the bill before the U.S. Senate. Before, I thought we were going to go to regulatory reform, then I heard we were going to go to welfare reform, then I heard we might be debating Bosnia.

I know my colleague from Virginia is interested in full debate. That is what we will have and certainly we will make sure that it is not personal or acrimonious. I want to be clear as to why we have objected to the motion to proceed and why we intend to have a very thorough discussion about Davis-Bacon and about this effort not only to repeal Davis-Bacon, but I think it goes beyond that. I think it is an effort to roll back 60 years of hard-earned history that have a lot to do with people being able to have a decent wage, 60 years that have a lot to do with people being able to have jobs that pay them a middle-class wage.

I think the stakes are very high. For that reason, with my colleague from Massachusetts, we intend to have a full discussion on that.

Mr. WARNER. Mr. President, I welcome that full discussion. But somehow in the Senator's remarks, the remarks just given, I got the impression, why on the highway bill? Mr. President, why is it? My projections are $1.3 billion is directly associated with Davis-Bacon over the next 5 years of projected highway construction. Those are scarce dollars in today's economy. Those are dollars that could be translated into actual roads and road improvements were it not for this piece of legislation. And it is time. My distinguished colleague mentioned reform, he has been working on it for several years. Perhaps the time has finally arrived for him to bring out those reforms. They are long overdue.

I simply think the statute has served its purpose. When I see $1.3 billion taken from the highway budgets of our 50 States over the next 5 years, this Senator says the time has come to eliminate it.

Mr. President, I thank my colleague for this opportunity to have a few opening remarks.

Mr. WELLSTONE. Mr. President, I think in a moment I would yield to my colleague from Massachusetts, who will take the lead in this debate. I will be very proud to be a part of it.

Again, let me say in this Congress I think we have had a single hearing on legislation to repeal outright the Davis-Bacon. We will surely have a quarrel about the figures and amount of money lost. And we certainly will have a full discussion about the meaning of prevailing wages and what that means to this country, what that means to this society, what that means to communities across the country. That I think will be the important part of this debate.

There is no reason to argue any longer about the timing of it, but I want to make it crystal clear that we

intend to focus on this effort in this bill. And this bill is an important piece of legislation. But this particular provision to repeal Davis-Bacon is, of course, where we intend to focus our attention.

I will yield to my colleague from Massachusetts.

The PRESIDING OFFICER. Does the Senator yield the floor?

Mr. WELLSTONE. Mr. President, no, I am not prepared to yield the floor yet.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

Mr. WELLSTONE. Mr. President, why do I not go forward with some remarks. But if my colleague has a question, I do not want to interrupt the flow of that.

Mr. CHAFEE. I do not have a question. I was prepared to make a statement.

Mr. WELLSTONE. On Davis-Bacon?

Mr. CHAFEE. We will be here quite a while. Everybody will have a chance to say what they want. If the Senator has something to say, go ahead. I will have my say later when he is through.

Mr. WELLSTONE. Mr. President, why do I not defer to the manager, and I will speak later on, because I have extensive remarks on Davis-Bacon. So I will defer to the manager of the bill and then be back in this debate later on.

I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I am sorry we cannot proceed on this bill because this is an important bill. What it does, it opens the way to some funds, additional funds in the neighborhood of some $5 billion that we are going to have to—if we want, we are going to have to pass this legislation before October. So now is the time to get with it.

I heard—I would like the Senator from Minnesota's attention if I might. I heard him say how erroneous it was for us to be dealing with legislation that has been on the books, I think he said, for 60 years? Is that the time limit, how long Davis-Bacon has been on?

I have seen the Senator on the floor discuss striker replacement that has been on about the same length of time. He had no hesitancy about dealing with that legislation that has been on the books for a considerable time.

So dealing with legislation that has been on the books for some time, labor legislation, is not unique in this place. It is not unique for the Senator from Minnesota, either.

Mr. WELLSTONE. Will the Senator yield for a moment?

Mr. CHAFEE. Sure.

Mr. WELLSTONE. As I understand the debate about what was S. 55, which was a ban on permanent replacement of striking workers, I would say to my colleague, it was not an amendment on another piece of legislation. That was a separate bill that went through extensive hearings, that was scheduled for debate, that came up at the time scheduled, and then led to full debate.

So I do think it is a rather different proposition.

Mr. CHAFEE. Mr. President, no one who has been in this Chamber very long will find repeal of the Davis-Bacon is something new. We have debated it. There have been hearings. There have been hearings in the committee of the Senator from Kansas, and the Senator from Massachusetts has been through those hearings many times. There is nothing unique.

This is not a creeping up by night with this provision.

Mr. WELLSTONE. Will the Senator yield?

Mr. CHAFEE. This is something that has been around. I do not know how many times we voted on it.

Mr. WELLSTONE. Will the Senator yield?

Mr. CHAFEE. Yes, I will be glad to.

Mr. WELLSTONE. I thank my colleague. As always he is very gracious.

My point was not that we have not debated the Davis-Bacon before. We certainly have. My point simply was that this bill was just scheduled to come to the floor—we thought there were going to be any number of other pieces of legislation. It has come to the floor. Unfortunately, as a part of this piece of legislation, there is the provision for repeal of Davis-Bacon. That is why we objected to the motion to proceed. That is why we will have extensive debate. That is my only point.

Mr. CHAFEE. Mr. President, I would stress that the provision of Davis-Bacon that we have in this National Highway Systems law solely deals with highway construction. It does not deal across the board. It seems to me there is no more appropriate place for it than in this National Highway System legislation.

Let me just say a few words, if I might. First, Congress must approve the National Highway System bill, as I mentioned, by September 1 of this year. If we do not, the States will not receive—I said $5 billion, it is $6.5 billion of their Federal aid highway money. This amount includes $2.9 billion for interstate maintenance and $2.6 billion for the National Highway System.

Mr. President, a few words about the National Highway System. Why are we in this? The National Highway System was established by the so-called ISTEA, Intermodal Surface Transportation Efficiency Act of 1991. That was a major highway bill that we passed in 1991.

The National Highway System can make a significant contribution to our transportation system. The 159,000 miles of designated National Highway System routes are the roads the States and the localities have chosen as some of their most important roads. These are the roads that provide mobility for our citizens and promote economic development.

The National Highway System, which includes the Interstate System—we are all familiar with the Interstate System—represents 4 percent of the highways of the United States of America, a very small part. But these are the important roads. These roads carry 40 percent of the Nation's highway travel. These are the roads that connect our intermodal and strategic facilities such as our ports and airports and train stations and military bases.

How was the whole thing developed? What is the National Highway System? It was developed by the Department of Transportation through the Federal Highway Administration in cooperation with the States. This was not something drawn up in Washington by a bunch of Federal bureaucrats. This was done in cooperation with the States. The Federal Highway Administration and the States designated the system based on the criteria of efficiency, connectivity, and equity among the States. The mileage distribution among the States and between urban and rural areas was another important element.

The process to designate the National Highway System has worked quite well. There is a high degree of consensus among Federal, State and local officials that the map submitted by the Secretary of Transportation in December of 1993 represents the best effort at identifying the National System.

What has happened is that the Federal Highway Administration has worked with, as I say, the State and local officials, to make changes in this map of 1993 to reflect new information and decisions made at the State and local level. This process will continue. This thing is not carved in stone. People come to us and say: We want to be added. There is a system for adding routes within the various States.

This legislation includes a provision which will permit this process to continue, even after this bill has been enacted into law. So State and local officials with the Secretary of Transportation's approval will have the ability to make changes in this, as long—there is a maximum limit of mileage. That maximum limit is 165,000 miles.

So what I am stressing here is that this is a dynamic, changing system, and it is important that the ability to make these changes is retained.

Because we have this process that involves the local officials, the State officials, and the Federal Government officials—namely, the highway administrator—I think Congress has to be very restrained in making systems; in other words, changes. Somebody will pop up here on the floor and say, ''I want such and such added, I so move.'' Well, maybe that is valid. But we do not know. The managers of this bill, and the others involved here on the floor, do not know whether that particular road meets the criteria. So we have set forth in the legislation a method of making changes. We think it is a fair

method. We want to resist the temptation to add a whole series of other routes. Once we depart from the criteria, we say, ''Well, Senator X has presented a very moving story about this highway he wants added.'' But once we start down the path of not adhering to the criteria or to the system set forth in the legislation, we are opening our way up to a lot of problems.

This bill which was reported out by the Environment and Public Works Committee preserves the important principles of the 1991 surface transportation law. That was a monumental piece of legislation that we passed. It makes changes to provide greater flexibility to the States to resist administrative burdens.

As I mentioned, there are a series of requirements that the States are relieved from, the principal one being the Davis-Bacon Act which brings us here this evening. The bill also provides additional flexibility for design standards for the national highway routes which are not applicable to the Interstate System.

This legislation which is S. 440—we will hear that term quite often this evening; that is the number of this bill—provides the States with additional financing options to address the needs of the transportation systems. It allows the States to credit private sector donations 100 percent to the States' cost share.

This legislation addresses something that those of us here in this Senate are pretty familiar with, and that is the Woodrow Wilson Bridge. The replacement of that bridge is essential. Its remaining lifespan is estimated to be only 10 years. The bridge was designed 40 years ago to carry 75,000 vehicles a day. How many vehicles does it carry, 75,000? No. Today the bridge carries 167,000, more than twice what it was designed for as maximum load.

Title II of this legislation authorizes the States of Virginia, Maryland, and the District of Columbia to enter into an interstate agreement or a compact to establish the National Capital Interstate Transportation Authority. I must say sometimes we get long titles here. But that is what this is, the National Capital Interstate Transportation Authority.

The ownership of this bridge is transferred to the authority. The authority has the ability to use various financing provisions, including tolls, to replace the bridge. The bill provides $97 million of Federal funds for completion of the environmental impact statement, for interim repairs to the bridge, and for the preliminary design and engineering of a replacement bridge.

There is one action the committee took which is a great disappointment to me personally; and, that is, there is a change made in the speed limits. I believe the Federal speed limit maximum of 65 miles per hour in rural areas on the interstate has been remarkably successful in reducing fatalities. It has resulted in major savings to the taxpayers of our country. The health care costs of speed-related crashes is currently estimated to be $2 billion a year; the health-related costs of the carnage that comes from excess speeding is currently estimated to be $2 billion a year. The total economic cost to society—not just the health care costs but the property damage, lost work—is estimated to be $24 billion a year.

According to the Department of Transportation, the decision that this Congress made several years ago to allow a maximum of 65 miles an hour just on rural interstates, increased from 55—which was the limit before—jumping from 55 to 65, and has estimated to have cost this country 500 additional deaths.

In my view, it is inevitable that, if the Federal speed limit is repealed, which this bill does—not with my vote, but, nonetheless, the committee chose to do so—States will raise the speed limit, and the cost to everyone, including the Federal Government, would go up dramatically. In other words, what we have said is there are not going to be any Federal limits, no Federal speed limits on these highways. Let the States put on what they want. I suppose the States will say 65 is not enough. Let us try 70. And the competitor will say, ''Well, why have any speed limit?'' And I think that is unfortunate.

I am aware that there are likely to be amendments which will be offered to repeal or weaken other safety laws, particularly the safety belt and motorcycle helmet law requirement. What are those? When we did the ISTEA legislation in 1991, we provided that a State would have a certain amount of time to enact a mandatory seat belt bill and a mandatory motorcycle helmet bill. If the States failed to do that, then a certain amount of that State's highway money would have to go into safety features, including safety education. As a result of that, some 26 States have passed mandatory motorcycle helmet legislation, and the strong seat belt legislation. What has been the result? California passed it. The Governor signed it. And as a result, the number of motorcycle deaths on the California highways has been reduced by 35 percent. Maryland did likewise. As a result of the passage of the motorcycle law, with the mandatory helmet, the number of motorcycle deaths in Maryland decreased by 25 percent.

You might say, ''Well, this is a State problem. What is the Federal Government doing in mandating motorcycles helmets?'' The answer is the following: The Federal Government is in it because we pay the health bills. The Federal Government has to pay the Medicaid costs of those who are in comas in hospitals because they had no helmet and got into a very serious motorcycle accident. I have seen that myself in my own State. We have one individual regrettably in our State hospital who has been there in a coma for 20 years severely injured by a head injury on a motorcycle without a helmet. The helmet would have prevented such an injury. That individual's medical costs have cost the State of Rhode Island and the Federal Government through Medicaid to date $3 million.

So, Mr. President, I hope that this Senate would resist any efforts to reduce the mandatory motorcycle helmet and seat belt laws.

Mr. President, I finally want to commend the chairman of the Transportation and Infrastructure Subcommittee of the Environment and Public Works Committee. This bill came from a subcommittee, and that subcommittee was chaired by Senator WARNER. He has done a splendid job on this legislation. When it came up to the full committee, there were no changes, and it passed out of the full committee by a vote of 15 to 1, with Democrats and Republicans voting for this legislation.

So I have had the privilege of working with Senator WARNER on this, and with the ranking member of the full committee, Senator BAUCUS, and with all members of this committee in this legislation. So I am very pleased that the Senator from Virginia has agreed to manage this bill before this full Senate.

I mention Senator BAUCUS being the ranking member of the full committee. But Senator BAUCUS is also the ranking member of the subcommittee likewise. I greatly appreciate the cooperation and assistance that he has given us in this legislation.

So, Mr. President, I hope we can get to this bill. It is important. I know the business about Davis-Bacon is contentious. I would like to see us have a vote on it, and see what happens. But most of all, I would hope at least we could move to the consideration of the legislation.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER (Mr. BENNETT). The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I want to just take a moment of the Senate's time to perhaps bring it up to speed in terms of where we are on the overall issue of consideration of the Davis-Bacon Act because it is not unrelated to the concerns a number of us are expressing this evening and tomorrow and the early part of next week in terms of proceeding to the highway bill. And that is on March 29 of this year, the Senate Labor and Human Resources Committee, chaired by Senator KASSEBAUM, after having hearings and after having committee discussion, made a judgment about the Davis-Bacon proposal, which I did not support, but nonetheless reported that measure out, and it is now on the calendar. So that would be legislation that would be applicable to all Federal jurisdiction. And we would have an opportunity when that would be called off the calendar by the majority leader, which is his right and his privilege at any particular time, to get into a debate and discussion on that particular

measure. I think it is important that we do get into a discussion on that particular measure, and I will elaborate on the reasons for that because there has been a great deal that has happened in terms of various recommendations, adjustments, changes, amendments, which would I think be constructive and positive and which I think the Members would welcome and which I think would improve the legislation.

However, we are not afforded that opportunity. We are faced now with a repeal effectively on the highway legislation, and there can be those who suggest, well, this really is not repealing it. The fact of the matter is that up to 40 percent of all Davis-Bacon construction is related to this piece of legislation. So in effect although it is not a repeal of Davis-Bacon, it is its death knell. And those of us who are willing and obviously want to debate the whole issue of Davis-Bacon and its implications thought that the most appropriate way of doing it is the way the Senate generally considers measures, and that is to deal with them on the basis of the legislation itself which would have general application rather than dealing with it piece by piece, on one piece of legislation after another.

This measure, in terms of the Highway Act, is commendable, and I intend to support the underlying legislation. I see no reason why that legislation could not have been completed, even with discussions, tonight or tomorrow. There may be other Members of this body who wanted to address particular provisions in that legislation, but it is the decision and judgment of the committee to insert the provisions repealing the Davis-Bacon Act in here, which should be addressed as we normally address these measures on the piece of legislation which has been reported out of the Labor and Human Resources Committee, and which is on the calendar, and I would have welcomed the opportunity to debate it this evening, tomorrow, or any other time.

But, no, it is said, well, we are going to circumvent the procedures and the process of the Senate, and we are going to repeal it; we are not going to wait for the Senate to debate that measure independently but we are going to tag that on to the highway legislation, and so we are forced into this circumstance. We are not the ones who are delaying the consideration of the highway legislation. It is those who want to circumvent the Senate procedures who are forcing this kind of delay. And so we are quite prepared to make some of our case this evening and tomorrow and the days ahead and welcome that opportunity to do so and to correct some of the comments that have even been made earlier this evening.

I think that is the best way to address the legislation reported out of that committee. And I would say that as recently as today there have been coalitions that have been working on a series of recommendations and changes that are being considered by a number of our colleagues in the Senate on both sides of the aisle. I have not had the chance to review those. It is coincidental that those measures are being circulated today because those that are most involved in those negotiations, to my knowledge, had no awareness that this measure was going to be considered tonight. I think most of us in the Senate understood that we would be debating probably welfare legislation. And as I understood, at least from our side of the aisle, they thought that that would take us through this weekend and perhaps the regulatory reform would take up the early part of next week. And then in the past hours, as is the right of the majority leader, it was decided to move to this legislation.

And so that is why we are in this situation. Those of us who want to speak on Davis-Bacon would urge the Senate to move toward the highway legislation. If this measure were not part of it, we would say all right, we are prepared to see a full debate and a timely debate on this issue and a resolution of the Davis-Bacon issue in a timely way on the measure that was reported out of our committee. That would let the Senate consider a number of the different changes and suggestions and amendments that might come at that time. But we are not given really that opportunity to do so.

So we wanted to address this issue and speak to some of the misunderstandings which have been expressed even earlier this evening on this issue.

I believe the vote on the bill and the provision to waive the application of Davis-Bacon to Federal highway construction is a critical test of whether the Senate will abandon its historic protection of local labor standards. In March, the Committee on Labor and Human Resources voted along party lines to repeal Davis-Bacon altogether. I opposed that legislation. I know other Members of the Senate opposed it, too.

Repealing the Davis-Bacon protections would take this country back to the days when cutthroat competition on wages drove down living standards for construction workers and reduced their families to poverty. I cannot believe that a majority of the Senate wants to return to the harsh employment practices of a half a century ago. The Republican argument for repealing Davis-Bacon is that the Government will save money by paying construction workers less than it does today. The problem is that the argument is not true.

Now, listen to this, Mr. President. In fact, the Government will not save anything by driving down the wages of construction workers on highway projects. According to a recent study, the 13 States with the highest construction wages build their highways at lower cost than the 13 States with the lowest wages.

Let me just repeat that. And we will get back into the studies. We will have time. But I want to make an opening comment about the issues before us. The 13 States with the highest construction wages build their highways at lower cost than the 13 States with the lowest wages.

Mr. CHAFEE. Will the distinguished Senator from Massachusetts be good enough to tell me, one, whose study is that?

Mr. KENNEDY. I will speak just briefly.

Mr. CHAFEE. The Senator can speak all he wants; he will have plenty of time.

Mr. KENNEDY. I intend to put those in the RECORD. I intend to outline this, Mr. President, and then I will spend some time going through the various studies with the Senator.

The average construction wage on a federally assisted highway project in Wisconsin was $15.55 an hour, more than twice the rate on projects in Mississippi, where the workers average $6.69 an hour.

The cost per mile of construction was much lower in Wisconsin, $78,083 versus $95,329 in Mississippi. Cutting wages does not mean cutting costs.

That is taking into consideration the variants in terrain and other kinds of construction. That is using a singular standard, and we will come back to review those studies in detail later this evening if that is the desire.

Even if it were true that we could save money by driving down the wages of construction workers, it would be wrong to do it. This mean-spirited attack on construction workers and their families is unwarranted and unfair.

Mr. President, I have here a chart of what the workers are receiving. For example, this is in heavy construction, for iron workers. It shows the hourly wage and what their annual wage is on heavy construction.

Let us talk about what the income of these workers is in America. The average income is $26,000 a year. That is a lot of money perhaps for a lot of people—and it certainly is—but it is $26,000 a year. We are having, effectively, an assault on these workers that are averaging $26,000. With all the problems that we have in this country, we want to undermine the ability of the average construction worker to make $26,000 a year.

We just passed, less than an hour ago, legislation that is going to mean hundreds of billions of dollars to various financial interest groups in this country, and I supported it. But make no mistake about it, that is going to put hundreds of millions and billions of dollars in the pockets of Americans. Here we are talking about what goes into the pockets and pocketbooks of construction workers.

The average is $26,000 a year. If you are an iron worker in Nashville, TN, you make an $8.41 hourly wage, $12,000 a year under Davis-Bacon—$12,000 a year.

If you are up in Burlington, VT, it is $9.70 an hour, $14,000 a year. If you come up to our part of the country in

Providence, RI, it is $20 an hour, $31,000 a year. Up in Massachusetts, it reaches as high as $33,000 a year.

This is for every construction worker under the Davis-Bacon Act, and I am going to come back as to how you reach Davis-Bacon figures.

The same is true on residential construction; wages are not high. In fact, in residential construction wages are generally much less. For carpenters in Nashville, TN, $6 an hour, $9,000 a year. This is extraordinary. It is a real ripoff of the taxpayer to be paying someone who is going to make $9,000 on Federal construction.

I find it troublesome that there is so much excitement about trying to alter or change Davis-Bacon, to somehow suggest that these men and women are making too much with these annual earnings of $9,000 in residential construction for carpenters in Nashville, or $11,000 in Ohio, or $15,000 in Connecticut, or even $21,000 in Michigan, or $28,000 for carpenters in Illinois, that this is somehow an injustice, that somehow these men and women are ripping off the system because they are making that.

It just does not hold water, Mr. President. These are hard-working men and women. Their annual hours are only 1,500 hours. Some work a little bit more, 1,700 hours, depending on the weather and the economy, but it has been difficult in the construction industry over the period of recent years.

Apparently some Republican Senators believe those construction workers are so overpaid that their wages should be cut. In fact, construction workers are not overpaid. Despite their considerable skills, the danger and physical hardship of their work, and the years of apprenticeship many have served to attain journeyman, their average annual income is about $28,000 a year.

The second most dangerous industry is construction. The second most dangerous industry—construction. We are saying, ''Oh, no, they are doing too well in America,'' in spite of all the studies that show that the working families of this country over the period of the last 12 years have fallen further and further behind in terms of the economy. They are working longer and making less in real income. That has been happening for 15 years, and if you go ahead with the repeal of Davis-Bacon, you are going to accelerate that.

It seems to me that we ought to be speaking for working families. We are not asking for them to get some special boondoggle when they are making $15,000, $16,000, $20,000, or $25,000 a year. That does not seem to me like some boondoggle. There are a lot of boondoggles around here, but this is not one of them.

Republicans like to accuse the Democrats of class warfare when we oppose their tax cuts for the rich, but this is an uglier class warfare conducted by Republicans to keep blue-collar workers down, to keep them out of the middle class. This bill and the repeal of the Davis-Bacon Act for highway construction are part of a larger assault Republicans are mounting on all fronts against America's working families.

What is happening to these families? They are having a hard time making ends meet. They are falling further and further behind in terms of real income and working harder.

What is happening to their kids? If their kids want to go to college and they are eligible for the Stafford loans, under the Republican proposal, they are going to pay $3,500 more for those Stafford loans.

If the kids need summer jobs, they will be lucky to get one. Mr. President, 1,400 jobs were cut in my city of Boston because of the cutback in the Summer Jobs Program.

In terms of support in the school reform programs, even the projection in the Head Start Program, the Republicans are cutting back on the support for the children of these working families.

We are having an assault on the income of working families, and with the Republican program for cuts in the Medicare Program, you are cutting back on the parents of the working families. You cannot get around that, Mr. President; you cannot get around that.

What happens when they get savings under Medicare? They use it for tax cuts, $350 billion in tax cuts for the wealthy individuals in this country, reaffirmed in the last 48 hours over in the House of Representatives by the Republicans.

We should not just treat these one by one, I would not think. Certainly the families do not figure it that way. They just do not look at it as a problem in one particular bill. They are looking at what the impact is totally on them, and that is what is happening.

This goes right to the heart of the dollars and cents that they are able to make working in construction.

Mr. President, in talking about what is happening and the impact on the working families, we will have in just a few days the regulatory reform bill which, effectively, emasculates the OSHA program with a supermandate that provides an entirely different cost-benefit ratio than is used by OSHA at the present time and will put at serious risk the various proposals that have been put out by OSHA to protect the American worker, not just in the construction industry, but in all industries. We will have that out here.

They repeal the Delaney clause, which is going to mean that no longer are you going to be required to keep carcinogens out of the food stream in the United States of America. That came out of the Judiciary Committee. We will be debating that over here.

For years, we talked about changing the Delaney clause to a more responsible risk-benefit ratio, a particularly sensitive issue for children who have an entirely different kind of risk-benefit ratio than adults. We tried to work that out in our committee. Oh, no, the votes were there to repeal the Delaney clause, and the Republicans have done that as well. So it will have an impact on the food stream in this country and greater risks will be out there, Mr. President.

So, what happens with this Davis-Bacon proposal? The highway bill has become the latest battleground in that attack. It contains a provision to repeal Davis-Bacon. It proposes to take $1.1 billion out of the pockets of construction workers over the next 5 years. That is how much the committee's Republicans claim they can save by cutting wages on Federal construction projects.

It is a typical Republican policy: Wage cuts for the workers, tax cuts for the rich. In fact, as the Federal highway construction data indicate, it is highly unlikely that any of these so-called savings will actually be achieved by the taxpayer. If anything, lower wages mean higher construction costs, not lower costs.

The notion that reducing the wages of construction workers on Federal construction projects will result in substantial cost savings for the Federal Government has been examined and categorically rejected by the leading construction industry economist in the country, Dr. John Dunlop, a former Secretary of Labor under President Ford and a professor of economics at Harvard for many years. According to Dr. Dunlop, who is a Republican,

> There is simply no sound basis for gratuitously assuming that lower wage rates in the construction industry generally mean lower costs to the public.

There is simply no sound basis for gratuitously assuming that lower wage rates in the construction industry generally mean lower costs to the public.

The reason is obvious. You get what you pay for. Lower paid workers are likely to be less skilled workers and, therefore, less productive workers. If wages are lower, but it takes the workers longer to complete the work, there are no cost savings. If their work is inferior in quality, it means higher long-term maintenance and repair costs. So there are no cost savings. And that has not been figured into these cost savings. There are no provisions for the diminution in terms of the experience of workers on the job or for inferior kinds of work or for longer-term maintenance. That is not figured into these figures that are bantered around so easily on the floor this evening.

This kind of attack on construction workers and their families is unjustified. There is nothing unfair about paying the prevailing wage on construction projects. Again and again over the years, we have heard the argument that Davis-Bacon is inflationary and that it mandates artificially high union wages. On the committee, Republicans made this argument in their report on the bill on page 11. They say,

''The existing law protects union laborers at the expense of unskilled workers.'' That simply is not true.

Only 29 percent of the prevailing wage schedules issued by the Labor Department in 1994 reflected union wage rates. Forty-eight percent of the wage schedules reflected nonunion rates, and the rest were mixed. Listen to this. Only 29 percent of the prevailing wage schedules issued by the Labor Department in 1994 reflected union wage rates. Forty-eight percent of the wage schedules reflected nonunion rates. And the rest were mixed.

The Davis-Bacon law does not require contractors to pay union wage rates. The Washington Post recently got this wrong and had to print a correction. So let there be no mistake. The Davis-Bacon Act does not require the payment of union wages or the employment of union workers—two misconceptions that are bantered around here on the floor and were in our committee. It requires the payment of prevailing wages, the going rate in the community. You are basically saying that in any of these communities, if they are paying $6 an hour, they get $6 an hour if they are going to build a Federal project. If you are going to build the highways or build residential construction, or if you are going to build heavy construction, it is a higher rate—whatever is the prevailing wage in the local community. Whether it be union or nonunion, that is the wage rate. So that the Federal Government will not be driving the wages down or artificially inflating them. That is basically the reason for the law.

The goal of the act is not to artificially inflate wages. The goal is to keep Federal projects from being used to drive down local wages and local labor standards. That goal is as valid today as it was in 1931, 64 years ago, when the law was first enacted.

The construction labor market is not a national labor market. There are thousands of local markets, and the wage rate for laborers, for example, varies from one part of the country to another, from the minimum of $4.25 an hour to more than $20 an hour. Carpenter wages vary from less than $6 an hour to more than $25 an hour. The Davis-Bacon Act respects these differences. Those who want to repeal the act ignore those differences. They would let Federal contractors drive wages down as low as they can. Repealing Davis-Bacon or its application to highway construction is an invitation to exploitation, and it ought to be rejected.

Mr. President, the evidence of the harmful effects of a repeal on minorities, as well, is clear. This would have an adverse impact in terms of the employment opportunities for women, as well as minorities. There is a very important study—but I see others who want to speak, so I will get into that later this evening or tomorrow.

A Davis-Bacon repeal is wrong. The legitimate concerns about the act's threshold and unnecessary paperwork can be taken care of through a sensible reform amendment, like the one Senator SIMON offered in our Labor and Human Resources Committee when we considered the issue. The Davis-Bacon Act does need to be updated, but the core principle of the law is as valid today as when it was signed 64 years ago. The Federal Government should not try to save money by cutting the wages of its citizens. The Davis-Bacon Act has not been substantially revised in 64 years, since it was enacted. Reforms are needed. The threshold for coverage needs to be adjusted to reflect inflation. The paperwork requirements for contractors are overly burdensome and need to be cut back.

Clear and more sensible lines should be drawn on what work is covered. Workers who are not receiving the wages they deserve need to have a more effective way to resolve complaints. That is why I am for reform of the Davis-Bacon Act. I have been on record in favor of reform for many years.

But there is a world of difference between reform and repeal. A coalition of nearly 20,000 contractors, all opposed to an outright repeal, are lobbying for reform, not repeal. We stand ready to work with colleagues on both sides of the aisle on any reasonable proposal for reform. We are strongly opposed to the anti-worker scheme that would dismantle basic construction workers' protections in all parts of the Nation. Repeal of Davis-Bacon is an anti-work ideology run amok and should be rejected out of hand by the Senate.

I would be glad to either yield to the Senator from Rhode Island about those reports or to make some general concluding remarks.

Mr. CHAFEE. Mr. President, I think what we are going to do this evening is this. The Senator from Illinois has something he wants to discuss as in morning business, which will take about 15 minutes. And then it would be my intention—and the leader said we can—to adjourn for the evening. Then we would be here tomorrow morning at whatever time we come in. Then there will be a chance for everybody to discuss this further. I have some questions I would like to ask the Senator from Massachusetts, but obviously he will be here tomorrow. This is what we call a filibuster on the motion to proceed. Rather than wearing everybody out, it would be my suggestion that we adjourn following the comments by the Senator from Illinois, as in morning business.

Mr. KENNEDY. Well, Mr. President, I see my friend from Illinois wanting to talk. I will welcome the opportunity to continue this dialog tomorrow. I will make a final comment on this.

I do want to just underline a point, because I think it is a point worth reiterating—that is, that there is a proposal on the Senate calendar that deals with this generically. Those of us who are speaking about this measure wanted the opportunity to at least debate that measure independently and have a chance to amend it and have the focus and attention of the Senate on it. It has been the desire of the Republicans in the committee to put this measure on a matter that is out of your jurisdiction, quite frankly. Your committee does not have jurisdiction on the Davis-Bacon Act, nonetheless, the Senator made the judgment decision to take that step.

Now, that is something that can be done, but it is not in the jurisdiction of your committee. It is in the jurisdiction of Senator KASSEBAUM's committee. They have taken action, but the Senator has circumvented the procedure and we are faced with this particular issue. We intend to speak to that.

I do think that the point needs to be reiterated, that there is a total array of different Republican activities that are symbolized by this assault on working families that are making $27,000 a year.

It is an assault on Davis-Bacon today. We had that assault on education just 3 weeks ago. We had that assault on Medicare. We still have not had the closing of the billionaires' loophole. It is interesting. We are all debating this issue out here and we still have not found time to debate and close the billionaires' loophole. I do think it is important for the American people to have some understanding of how we are spending our time and how we are spending our energy and what we are doing as a matter of priorities.

We will have a full day, and I always welcome the chance to have this discussion with my friend and colleague. I see the Senator from Illinois here.

Mr. CHAFEE. I wonder if the Senator from Massachusetts mentioned reforms, and I am curious as to what the suggested reforms are.

To suggest we have come out of the blue without any consideration in the respective committee that deals with Davis-Bacon, in our committee, we have trespassed into areas we do not belong in. Davis-Bacon we have had out here on the floor as the Senator from Massachusetts knows, many, many times. And this provision that came from our committee solely applies for the areas that we deal with. I am not willing to concede that it is not within our jurisdiction.

However, I am curious as to what the suggestions are, and I do not need them in great detail, but roughly, what is the Senator talking about? The Davis-Bacon now applies to any contract over $2,000. In other words, it applies to everything.

What is the general trend, if I might ask the Senator from Massachusetts, of these reforms?

Mr. KENNEDY. I see my colleague who offered the reform proposal which I supported in the committee. I wonder if the Senator from Illinois would like to take a few moments and go through the different provisions with regard to

raising the thresholds and with regard to other features such as the paperwork provisions—the range of different areas which have been raised as matters of concern.

The Senator from Illinois has a very comprehensive program. I see the Senator on the floor now. I will let him comment on that. I look forward to adding to it tomorrow.

Mr. SIMON. Mr. President, I would like to deal with this tomorrow. I would say to the Senator from Rhode Island that what we do is raise the ceiling. We also deal with the problems that contractors say they have with Davis-Bacon. I think it is a practical bill that answers the fundamental problems.

Mr. CHAFEE. What does the ceiling go to?

Mr. SIMON. The ceiling would go, as I recall, to $100,000. I will have the full information on this tomorrow.

We offered this in committee. We checked this out with a number of contractors. We think the proposal that we have makes a great deal of sense. I will have a chance to discuss that tomorrow.

Mr. KENNEDY. I say to the Senator it is $100,000 for new construction; $25,000 for alteration, repair, renovation, rehabilitation.

The second part deals with contract splitting. There is a whole provision in here affecting the reporting requirements, to allow inspection of payrolls by interested parties.

This was an important issue to determine which workers are actually being covered.

We will have an opportunity to discuss the compliance provision, the definition of various employees.

Mr. SIMON. If my colleague will yield, we also reduced the reporting by contractors very significantly. I think that the average contractor would be pleased.

Now, a contractor wants to depress wages, they probably will not be pleased.

Mr. CHAFEE. I am not prepared to concede that every contractor that does not like Davis-Bacon is out to depress wages. We will have time to discuss that further.

I am not sure what has been done. It has been raised to $100,000. If the Senator will show me the building or any job that is less than $100,000 that the Federal Government goes out and contracts for, I will be surprised.

Never mind. We will have all day tomorrow to discuss that. I would say that one of the things I would appreciate the Senator addressing, in my experience, in my State, I have discovered that Davis-Bacon is an anti-small business law.

In other words, the small businessman cannot qualify to do Davis-Bacon jobs. They do not have the record built up, or the recordkeeping machinery, the capabilities. It is a bad move for small businesses.

Mr. SIMON. If the Senator will support the Simon-Kennedy amendment, the Senator will find that it helps small business people.

Mr. CHAFEE. Mr. President, I would be happy if that were so.

Why do we not proceed as in morning business?

Mr. SIMON. Mr. President, I ask unanimous consent that I may proceed as in morning business for 15 minutes.

Mr. CHAFEE. Mr. President, it would then be my thought that we would wind up here and adjourn for the evening.

Mr. SIMON. Mr. President, I thank the Chair.

(The remarks of Mr. SIMON pertaining to the introduction of S. 933 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

PRIVILEGES OF THE FLOOR

Mr. CHAFEE. Mr. President, I ask unanimous consent that Larry Dwyer, detailed from the Federal Highway Administration, be granted floor privileges during the duration of the Senate's debate on S. 440.

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

Mr. SIMON. Mr. President, I have been handed a note by the staff.

On behalf of Senator KENNEDY, I ask unanimous consent that Ross Eisenbrey, a fellow on the staff of the Labor Committee, be granted floor privileges during the pendency of this matter.

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

USE OF THE CAPITOL GROUNDS FOR AN EXHIBITION

Mr. CHAFEE. Mr. President, I ask unanimous consent that the Rules Committee be immediately discharged from further consideration of Senate Concurrent Resolution 17; and, further, that the Senate now proceed to its immediate consideration.

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

The clerk will report.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 17) authorizing the use of the Capitol Grounds for the exhibition of the RAH–66 Comanche helicopter.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. CHAFEE. Mr. President, I ask unanimous consent that the concurrent resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid on the table, and that any statements relating to the concurrent resolution appear at the appropriate place in the RECORD.

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

So the concurrent resolution (S. Con. Res. 17) was agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, is as follows:

S. CON. RES. 17

Whereas the RAH–66 Comanche is the new reconnaissance helicopter of the Army;

Whereas the Comanche will save the lives of military aviators acting in the defense of the Nation;

Whereas the technologies employed in the Comanche make it a revolutionary, highly effective, and survivable helicopter;

Whereas the Comanche development program is on budget, on schedule, and encompasses the latest concepts of design and testing to drastically reduce performance risk and ensure ease of manufacturing and maintenance; and

Whereas many members of Congress have expressed support for the Comanche and an interest in seeing the Comanche and learning more about its technology: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring),

SECTION 1. USE OF CAPITOL GROUNDS FOR THE EXHIBITION OF THE COMANCHE HELICOPTER AND ASSOCIATED TECHNOLOGIES.

The Boeing Company and United Technologies Corporation Joint Venture (hereinafter in this resolution referred to as the ''Joint Venture''), acting in cooperation with the Secretary of the Army, shall be permitted to sponsor a public event featuring the first flying prototype of the RAH–66 Comanche helicopter on the East Front Plaza of the Capitol Grounds on June 21, 1995, or on such other date as the President pro tempore of the Senate and the Speaker of the House of Representatives may jointly designate.

SEC. 2. CONDITIONS.

(a) IN GENERAL.—The event to be carried out under this resolution shall be free of admission charge to the public and arranged not to interfere with the needs of Congress, under conditions to be prescribed by the Architect of the Capitol and the Capitol Police Board; except that the Joint Venture shall assume full responsibility for all expenses and liabilities incident to all activities associated with the event.

(b) FLYING PROHIBITION.—The Comanche helicopter referred to in section 1 shall be transported by truck to and from the event to be carried out under this resolution and shall not be flown as part of the event.

SEC. 3. STRUCTURES AND EQUIPMENT.

For the purposes of this resolution, the Joint Venture is authorized to erect upon the Capitol Grounds, subject to the approval of the Architect of the Capitol, a portable shelter, sound amplification devices, and such other equipment as may be required for the event to be carried out under this resolution. The portable shelter shall be approximately 60 feet by 65 feet in size to cover the Comanche helicopter referred to in section 1 and to provide shelter for the public and the technology displays and video presentations associated with the event.

SEC. 4. EVENT PREPARATIONS.

The Joint Venture is authorized to conduct the event to be carried out under this resolution from 8 a.m. to 3 p.m. on June 21, 1995, or on such other date as may be designated under section 1. Preparations for the event may begin at 1 p.m. on the day before the event and removal of the displays, shelter, and Comanche helicopter referred to in section 1 shall be completed by 6 a.m. on the day following the event.

SEC. 5. ADDITIONAL ARRANGEMENTS.

The Architect of the Capitol and the Capitol Police Board are authorized to make any such additional arrangements that may be

required to carry out the event under this resolution.

SEC. 6. LIMITATION ON REPRESENTATIONS.

The Boeing Company and the United Technology Corporation shall not represent, either directly or indirectly, that this resolution or any activity carried out under this resolution in any way constitutes approval or endorsement by the Federal Government of the Boeing Company or the United Technology Corporation or any product or service offered by the Boeing Company or the United Technology Corporation.

AUTHORIZING REPRESENTATION BY SENATE LEGAL COUNSEL AND TESTIMONY BY FORMER SENATE EMPLOYEE

Mr. CHAFEE. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Resolution 135, submitted earlier today by Senators DOLE and DASCHLE.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 135) to authorize production of documents and testimony by a former Senate employee, and representation by Senate legal counsel.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. DOLE. Mr. President, the plaintiffs in two civil actions pending in North Dakota State court have requested documents and testimony from a former member of Senator CONRAD's staff relating to constituent casework the staff member performed for the plaintiffs. The following resolution would authorize the former staff member to testify at a deposition with representation by the Senate Legal Counsel, and would authorize the production of documents.

Mr. CHAFEE. Mr. President, I ask unanimous consent that the resolution be considered and agreed to, that the preamble be agreed to, that the motion to reconsider be laid upon the table, and that any statements relating to the resolution appear at the appropriate place in the RECORD.

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

So the resolution (S. Res. 135) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 135

Whereas, the plaintiffs in *Schneider* v. *Schaaf,* Civ. No. 95–C–1056 and *Schneider* v. *Messer,* Civ. No. 93–C–124, civil actions pending in state court in North Dakota have sought the deposition testimony of Ross Keys, a former Senate employee who worked for Senator Kent Conrad and documents from Senator Conrad's office;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate is needed for the promotion of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges of the Senate;

Whereas, pursuant to section 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§288B(A) and 288C(A)(2), the Senate may direct its counsel to represent employees of the Senate with respect to requests for testimony made to them in their official capacities: Now, therefore, be it

Resolved, That Ross Keys is authorized to produce records and provide testimony in the cases of *Schneider* v. *Schaaf* and *Schneider* v. *Messer,* except concerning matters for which a privilege should be asserted.

SEC. 2. The Senate Legal Counsel is authorized to represent Ross Keys in connection with the testimony authorized by section 1 of this resolution.

CLOTURE MOTION

Mr. CHAFEE. Mr. President, I send a cloture motion to the desk that is signed by 16 Senators.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to Calendar Number 114, S. 440, the National Highway System bill, signed by 16 Senators.

Bob Dole, Lauch Faircloth, Larry Pressler, Rod Grams, Don Nickles, Robert F. Bennett, Craig Thomas, James M. Inhofe, Pete V. Domenici, John W. Warner, Hank Brown, John Chafee, Christopher Bond, Kay Bailey Hutchison, Bob Smith, and Dirk Kempthorne.

MORNING BUSINESS

(During today's session of the Senate, the following morning business was transacted.)

WAS CONGRESS IRRESPONSIBLE? THE VOTERS HAVE SAID YES

Mr. HELMS. Mr. President, on that memorable evening in 1972 when I learned that I had been elected to the Senate in 1972, one of the commitments I made to myself was that I would never fail to see a young person, or a group of young people, who wanted to see me.

It certainly proved beneficial to me because I've been inspired by the estimated 60,000 young people with whom I've visited during the nearly 23 years I've been in the Senate.

Most of them have been concerned about the magnitude of the Federal debt that Congress has run up for the coming generations to pay. The young people and I always discuss the fact that under the U.S. Constitution, no President can spend a dime of Federal money that has not first been authorized and appropriated by both the House and Senate of the United States.

That's why I began making these daily reports to the Senate on February 22, 1992. I wanted to make it a matter of daily record precisely the size of the Federal debt which as of yesterday, Wednesday, June 14, stood at $4,905,557,258,890.90 (or $18,621.58 for every man, woman, and child in America).

''TAKE THE MONEY AND TALK''

Mr. BYRD. Mr. President, without a doubt, the relationship between the media and politicians is a unique and interesting one. All would agree that press attention on politicians is a natural function of journalistic coverage of the legislative process. It is a necessary and useful role for the members of the press.

Over the years, there has been a lot of media coverage focused on the effects of special interests on the legislative process. Reams have been written on how the wishes of the American people are compromised by the practice of legislators accepting gratuities from the pockets of highly paid lobbyists. Miles of video tape have been aired on programs critical of Members of Congress who cavort with special interest groups which have influence over matters under consideration by Congress. Often, by focusing their investigative light on elected officials, the media have brought instances of unethical behavior to the public's attention.

Partly as a result of this attention, Members of Congress got the message. In an effort, which I led here some years ago, to eliminate possible conflicts of interest and perceptions of such conflicts, Members chose to prohibit the acceptance of honoraria and to require public disclosure of gifts from outside groups. Now, because of reporting requirements, the American people are able to judge the effects that any undue influence lobbyists may have on their elected representatives.

What is distressing to me is the lack of parity that exists in this area as far as the media are concerned. In the June 1995 edition of the American Journalism Review, Alicia C. Shepard, in an article entitled, ''Take the Money and Talk,'' makes a compelling argument for members of the press to turn the light of honoraria disclosure on themselves. As the article points out, journalists who receive honoraria from the very groups they cover have become a matter of considerable concern. It seems that even many reporters feel uncomfortable with the large sums that their peers receive from speaking engagements.

In this age of instant communication, no one can doubt the tremendous impact of the media. Their stories—either in print, through newspapers and magazines, or on the air waves, through network news and talk radio—control the very way the public receives the news each day and perceives the issues and the players in the coverage. Reporters have the ability to

frame a story through virtually any filter they choose. Theirs is a powerful tool that cannot be taken lightly.

At a time when public cynicism with both politicians and the media seems to have reached new proportions, the journalism profession ought to put the brakes on and reflect on how it is tainted by the policy of accepting speaking fees. How is one to know if a given journalist has a private agenda or an ax to grind? Right now, the public is not assured of balanced reporting and can only hope that members of the press are above ethical compromise. Although some media outlets are beginning to put restrictions into place, no rules of disclosure with respect to outside income are required by the journalism profession. There is no place to go to find out if a reporter has been compromised.

Somewhat arrogantly or perhaps naively, many reporters have adopted the ''trust me'' theory of reporting, insisting that their ethical standards are not to be questioned. For some unclear reason, they assume that they are different from the individuals about whom they write. Simply by virtue of their name and employer, we are to believe that they are above reproach.

The hypocrisy of this line of thinking is not only absurd, but it is also truly disturbing. To have a virtual field day in castigating politicians for allowing special interest groups access and influence, and then to turn around and ignore the same criticism in regard to themselves, in my mind, portrays a press corps that is unaccountable and, as a result, compromised or at least highly suspect. In an age of instant communications, the media hold an unequaled sway over the distribution of information to the public. Their access to, and influence on, the American people are unparalleled. The communications industry thus has an important obligation to guarantee the highest ethical standards among its members. As the press are fond of pointing out, in the public arena there are no free rides. It is past time for journalists to accept the same responsibility in this regard and acknowledge the dangers, within their own ranks, of receiving money from special interest groups.

One of the liberties our Constitution speaks of is freedom of the press. Certainly, no one wants to see controls put on the media that would jeopardize the ability to report objectively. But, we are all better served when possible perceptions of misconduct are removed. Unfortunately, by refusing to address what is perceived at the very least as a double standard, the journalism profession runs the risk of losing further credibility with its audience. It is time for all thinking members of the media to face up to the same standards they so stridently require of others, and let the light of day reflect the objectivity of their work.

Mr. President, in this regard, I ask unanimous consent that the article to which I have referred be printed in the RECORD.

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

[From the American Journalism Review, June 1995]

TAKE THE MONEY AND TALK

(By Alicia C. Shepard)

It's speech time at the Broward County Convention Center in Fort Lauderdale.

ABC News correspondent and NPR commentator Cokie Roberts takes her brown handbag and notebook off of the ''reserved'' table where she has been sitting, waiting to speak. She steps up to the podium where she is gushingly introduced and greeted with resounding applause.

Framed by palm fronds, Roberts begins her speech to 1,600 South Florida businesswomen attending a Junior League-sponsored seminar. Having just flown in from Washington, D.C., Roberts breaks the news of the hours-old arrest of a suspect in the Oklahoma City bombing. She talks of suffragette Susan B. Anthony, of how she misses the late House Speaker Tip O'Neill, of the Republican takeover on Capitol Hill. Then she gives her listeners the inside scoop on the new members of Congress.

''They are very young,'' says Roberts, 52, ''I'm constantly getting it wrong, assuming they are pages. They're darling. They're wildly adept with a blow dryer and I resent them because they call me ma'am.'' The audience laughs.

After talking for an hour on ''Women and Politics,'' Roberts answers questions for 20 minutes. One woman asks the veteran correspondent, who has covered Washington since 1978, when there will be a female president.

''I think we'll have a woman president when a woman is elected vice president and we do in the guy,'' Roberts quips.

This crowd loves her. When Roberts finishes, they stand clapping for several minutes. Roberts poses for a few pictures and is whisked out and driven to the Miami airport for her first-class flight back to Washington.

For her trouble and her time, the Junior League of Greater Fort Lauderdale gave Roberts a check for $35,000. ''She's high, very high,'' says the League's Linda Carter, who lined up the keynote speakers. The two other keynote speakers received around $10,000 each.

The organization sponsored the seminar to raise money for its community projects, using Roberts as a draw. But shelling out $35,000 wouldn't have left much money for, say, the League's foster care or women's substance abuse programs or its efforts to increase organ donors for transplants.

Instead, Robert's tab was covered by a corporate sponsor, JM Family Enterprises. The $4.2 billion firm is an umbrella company for the largest independent American distributor of Toyotas. The second-largest privately held company in Florida, it provides Toyotas to 164 dealerships in five southeastern states and runs 20 other auto-related companies.

But Roberts doesn't want to talk about the company that paid her fee. She doesn't like to answer the kind of questions she asks politicians. She won't discuss what she's paid, whom she speaks to, why she does it or how it might affect journalism's credibility when she receives more money in an hour-and-a-half from a large corporation than many journalists earn in a year.

''She feels strongly that it's not something that in any way, shape or form should be discussed in public,'' ABC spokeswoman Eileen Murphy said in response to AJR's request for an interview with Roberts.

Roberts' ABC colleague Jeff Greenfield, who also speaks for money, doesn't think it's a good idea to duck the issue. ''I think we ought not not talk about it,'' he says. ''I mean that's Cokie's right, obviously,'' he adds, but ''if we want people to answer our questions, then up to a reasonable point, we should answer their questions.''

The phenomenon of journalists giving speeches for staggering sums of money continues to dog the profession. Chicago Tribune Washington Bureau Chief James Warren has created a cottage industry criticizing colleagues who speak for fat fees. Washington Post columnist James K. Glassman believes the practice is the ''next great American scandal.'' Iowa Republican Sen. Charles Grassley has denounced it on the Senate floor.

A number of news organizations have drafted new policies to regulate the practice since debate over the issue flared a year ago (see ''Talk is Expensive,'' May 1994). Time magazine is one of the latest to do so, issuing a flat-out ban on honoraria in April. The Society for Professional Journalists, in the process of revising its ethics code, is wrestling with the divisive issue.

The eye-popping sums star journalists receive for their speeches, and the possibility that they may be influenced by them, have drawn heightened attention to the practice, which is largely the province of a relatively small roster of well-paid members of the media elite. Most work for the television networks or the national news weeklies; newspaper reporters, with less public visibility, aren't asked as often.

While the crescendo of criticism has resulted in an official crackdown at several news organizations—as well as talk of new hardline policies at others—it's not clear how effective the new policies are, since no public disclosure system is in place.

Some well-known journalists, columnist and ''Crossfire'' host Michael Kinsley and U.S. News & World Report's Steven V. Roberts among them, scoff at the criticism. They assert that it's their right as private citizens to offer their services for whatever the market will bear, that new policies won't improve credibility and that the outcry has been blown out of proportion.

But the spectacle of journalists taking big bucks for speeches has emerged as one of the high-profile ethical issues in journalism today.

''Clearly some nerve has been touched,'' Warren says. ''A nerve of pure, utter defensiveness on the part of a journalist trying to rationalize taking [honoraria] for the sake of their bank account because the money is so alluring.''

A common route to boarding the lecture gravy train is the political talk show. National television exposure raises a journalist's profile dramatically, enhancing the likelihood of receiving lucrative speaking offers.

The problem is that modulated, objective analysis is not likely to make you a favorite on ''The Capital Gang'' or ''The McLaughlin Group.'' Instead, reporters who strive for objectivity in their day jobs are often far more opinionated in the TV slugfests.

Time Managing Editor James R. Gaines, who issued his magazine's recent ban on accepting honoraria, sees this as another problem for journalists' credibility, one he plans to address in a future policy shift. ''These journalists say things we wouldn't let them say in the magazine. . .,'' says Gaines, whose columnist Margaret Carlson appears frequently on ''The Capital Gang.'' ''It's great promotion for the magazine and the magazine's journalists. But I wonder about it when the journalists get into that adversarial atmosphere where provocation is the main currency.''

Journalists have been ''buckraking'' for years, speaking to trade associations, corporations, charities, academic institutions and social groups. But what's changed is the amount they're paid. In the mid-1970s, the fees peaked at $10,000 to $15,000, say agents for speakers bureaus. Today, ABC's Sam Donaldson can get $30,000, ABC's David Brinkley pulls in $18,000 and the New York Times' William Safire can command up to $20,000.

When a $4.2 billion Toyota distributor pays $35,000 for someone like Cokie Roberts, or a trade association pays a high-profile journalist $10,000 or $20,000 for an hour's work, it inevitably raises questions and forces news executives to re-examine their policies.

That's what happened last June at ABC. Richard Wald, senior vice president of news, decided to ban paid speeches to trade associations and for-profit corporationsmuch to the dismay of some of ABC's best-paid correspondents. As at most news organizations, speaking to colleges and nonprofits is allowed.

When Wald's policy was circulated to 109 employees at ABC, some correspondents howled (see Free Press, September 1994). Protests last August from Roberts, Donaldson, Brinkley, Greenfield, Brit Hume and others succeeded only in delaying implementation of the new guidelines. Wald agreed to ''grandfather in'' speeches already scheduled through mid-January. After that, if a correspondent speaks to a forbidden group, the money must go to charity.

''Why did we amend it? Fees for speeches are getting to be very large,'' Wald says. ''When we report on matters of national interest, we do not want it to appear that folks who have received a fee are in any way beholden to anybody other than our viewers. Even though I do not believe anybody was ever swayed by a speech fee, I do believe that it gives the wrong impression. We deal in impressions.''

The new policy has hurt, says ABC White House correspondent Ann Compton. Almost a year in advance, Compton agreed to speak to the American Cotton Council. But this spring, when she spoke to the trade group, she had to turn an honorarium of ''several thousand dollars'' over to charity. Since the policy went into effect, Compton has turned down six engagements that she previously would have accepted.

''The restrictions now have become so tight, it's closed off some groups and industries that I don't feel I have a conflict with,'' says Compton, who's been covering the White House off and on since 1974. ''It's closed off, frankly, the category of organizations that pay the kind of fees I get.'' She declines to say what those fees are.

And it has affected her bank account. ''I've got four kids * * *,'' Compton says. ''It's cut off a significant portion of income for me.''

Some speakers bureaus say ABC's new policy and criticism of the practice have had an impact.

''It has affected us, definitely,'' says Lori Fish of Keppler Associates in Arlington, Virginia, which represents about two dozen journalists. ''More journalists are conscious of the fact that they have to be very particular about which groups they accept honoraria from. On our roster there's been a decrease of some journalists accepting engagements of that sort. It's mainly because of media criticism.''

Other bureaus, such as the National Speakers Forum and the William Morris Agency, say they haven't noticed a difference. ''I can't say that the criticism has affected us,'' says Lynn Choquette, a partner at the speakers forum.

Compton, Donaldson and Greenfield still disagree with Wald's policy but, as they say, he's the boss.

''I believe since all of us signed our contracts with the expectation that the former ABC policy would prevail and took that into account when we agreed to sign our contracts for X amount,'' Donaldson says, ''it was not fair to change the policy midstream.'' Donaldson says he has had to turn down two speech offers.

Greenfield believes the restrictions are unnecessary.

''When I go to speak to a group, the idea that it's like renting a politician to get his ear is not correct,'' he says. ''We are being asked to provide a mix of entertainment and information and keep audiences in their seats at whatever convention so they don't go home and say, 'Jesus, what a boring two-day whatever that was.'''

Most agree it's the size of the honoraria that is fueling debate over the issue. ''If you took a decimal point or two away, nobody would care,'' Greenfield says. ''A lot of us are now offered what seems to many people a lot of money. They are entertainment-size sums rather than journalistic sizes.''

And Wald has decided ''entertainment-size sums'' look bad for the network, which has at least a dozen correspondents listed with speakers bureaus. It's not the speeches themselves that trouble Wald. ''You can speak to the American Society of Travel Agents or the Electrical Council,'' he says, ''as long as you don't take money from them.''

But are ABC officials enforcing the new policy? ''My suspicion is they're not, that they are chickenshit and Cokie Roberts will do whatever the hell she wants to do and they don't have the balls to do anything,'' says the Chicago Tribune's Warren, whose newspaper allows its staff to make paid speeches only to educational institutions.

There's obviously some elasticity in ABC's policy. In April, Greenfield, who covers media and politics, pocketed $12,000 from the National Association and interviewing media giants Rupert Murdoch and Barry Diller for the group. Wald says that was acceptable.

He also says it was fine for Roberts to speak to the Junior League-sponsored business conference in Fort Lauderdale, even though the for-profit JM Family Enterprises paid her fee.

''As long as the speech was arranged by a reasonable group and it carried with it no tinct from anybody, it's okay,'' says Wald. ''I don't care where they [the Junior League] get their money.''

Even with its loopholes, ABC has the strictest restrictions among the networks. NBC, CBS and CNN allow correspondents to speak for dollars on a case-by-case basis and require them to check with a supervisor first. Last fall, Andrew Lack, president of NBC News, said he planned to come up with a new policy. NBC spokesperson Lynn Gardner says Lack has drafted the guidelines and will issue them this summer. ''The bottom line is that Andrew Lack is generally not in favor of getting high speaking fee,'' she says.

New Yorker Executive Editor Hendrik Hertzberg also said last fall that his magazine would review its policy, under which writers are supposed to consult with their editors in ''questionable cases.'' The review is still in progress. Hertzberg says it's likely the magazine will have a new policy by the end of the year.

There's something aesthetically offensive to my idea of journalism for American journalists to be paid $5,000, $10,000 or $20,000 for some canned remarks simply because of his or her celebrity value,'' Hertzberg says.

Rewriting a policy merely to make public the outside income of media personalities guarantees resistance, if not outright hostility. Just ask John Harwood of the Wall Street Journal's Washington bureau. This year, Harwood was a candidate for a slot on the committee that issues congressional press passes to daily print journalists.

His platform included a promise to have daily correspondents list outside sources of income—not amounts—on their applications for press credentials. Harwood's goal was fuller disclosure of outside income, including speaking fees.

''I'm not trying to argue in all cases it's wrong,'' says Harwood. ''But we make a big to-do about campaign money and benefits lawmakers get from special interests and I'm struck by how many people in our profession also get money from players in the political process.''

Harwood believes it's hypocritical that journalists used to go after members of Congress for taking speech fees when journalists do the same thing. (Members of Congress are no longer permitted to accept honoraria.)

''By disclosing the people who pay us,'' says Harwood, ''we let other people who may have a beef with us draw their own conclusions. I don't see why reporters should be afraid of that.''

But apparently they are. Harwood lost the election.

''I'm quite certain that's why John lost,'' says Alan J. Murray, the Journal's Washington bureau chief, who made many phone calls on his reporter's behalf. ''There's clearly a lot of resistance,'' adds Murray, whose newspaper forbids speaking to for-profit companies, political action committees and anyone who lobbies Congress. ''Everybody likes John. But I couldn't believe how many people said—even people who I suspect have very little if any speaking incomes—that it's just nobody's business. I just don't buy that.''

His sentiment is shared in the Periodical Press Gallery on Capitol Hill, where magazine reporters applying for press credentials must list sources of outside income. But in the Radio-Television Correspondents Gallery, where the bigname network reporters go for press credentials, the issue of disclosing outside income has never come up, says Kenan Block, a ''MacNeil/Lehrer NewsHour'' producer.

''I've never heard anyone mention it here and I've been here going on 11 years,'' says Block, who is also chairman of the Radio-Television Correspondents Executive Committee. ''I basically feel it's not our place to police the credentialed reporters. If you're speaking on the college circuit or to groups not terribly political in nature, I think, if anything, people are impressed and a bit envious. It's like, 'More power to them.'''

But the issue of journalists' honoraria has been mentioned at Block's program.

Al Vecchione, president of McNeil/Lehrer Productions, says he was ''embarrassed'' by AJR's story last year and immediately wrote a new policy. The story reported that Robert MacNeil accepted honoraria, although he often spoke for free; partner Jim Lehrer said he had taken fees in the past but had stopped after his children got out of college.

''We changed [our policy] because in reading the various stories and examining our navel, we decided it was not proper,'' Vecchione says. ''While others may do it, we don't think it's proper. Whether in reality it's a violation or not, the perception is there and the perception of it is bad enough.''

MacNeil/Lehrer's new policy is not as restrictive as ABC's, however. It says correspondents ''should avoid accepting money from individuals, companies, trade associations or organizations that lobby the government or otherwise try to influence issues the NewsHour or other special * * * programs may cover.''

As is the case with many of the new, stricter policies, each request to speak is reviewed

on a case-by-case basis. That's the policy at many newspapers and at U.S. News.

Newsweek tightened its policy last June. Instead of simply checking with an editor, staffers now have to fill out a form if they want to speak or write freelance articles and submit it to Ann McDaniel, the magazine's chief of correspondents.

''The only reason we formalized the process is because we thought this was becoming more popular than it was 10 years ago,'' McDaniel says. ''We want to make sure [our staff members] are not involved in accepting compensation from people they are very close to. Not because we suspect they can be bought or that there will be an improper behavior but because we want to protect our credibility.''

Time, on the other hand, looked at all the media criticism and decided to simply end the practice. In an April 14 memo, Managing Editor Gaines told his staff, ''The policy is that you may not do it.''

Gaines says the new policy was prompted by ''a bunch of things that happened all at once.'' He adds that ''a lot of people were doing cruise ships and appearances and have some portion of their income from that, so their ox is gored.''

The ban is not overwhelmingly popular with Time staffers. Several, speaking on a not-for-attribution basis, argue that it's too tough and say they hope to change Gaines' mind. He says that won't happen, although he will amend the policy to allow paid speeches before civic groups, universities and groups that are ''clearly not commercial.''

''Academic seminars are fine,'' he says. ''If some college wants to pay expenses and a $150 honorarium, I really don't have a problem with that.''

Steve Roberts, a senior writer with U.S. News & World Report and Cokie Roberts' husband, is annoyed that some media organizations are being swayed by negative publicity. He says there's been far too much criticism of what he believes is basically an innocuous practice. Roberts says journalists have a right to earn as much as they can by speaking, as long as they are careful about appearances and live by high ethical standards.

''This whole issue has been terribly overblown by a few cranks,'' Roberts says. ''As long as journalists behave honorably and use good sense and don't take money from people they cover, I think it's totally legitimate. In fact, my own news organization encourages it.''

U.S. News not only encourages it, but its public relations staff helps its writers get speaking engagements.

Roberts says U.S. News has not been intimidated by the ''cranks,'' who he believes are in part motivated by jealousy. ''I think a few people have appointed themselves the critics and watchdogs of our profession. I, for one, resent it.''

His chief nemesis is Jim Warren, who came to Washington a year-and-a-half ago to take charge of the Chicago Tribune's bureau. Warren, once the Tribune's media writer, writes a Sunday column that's often peppered with news flashes about which journalist is speaking where and for how much. The column includes a ''Cokie Watch,'' named for Steve Roberts' wife of 28 years, a women Warren has written reams about but has never met.

''Jim Warren is a reprehensible individual who has attacked me and my wife and other people to advance his own visibility and his own reputation,'' Roberts asserts. ''He's on a crusade to make his own reputation by tearing down others.''

While Warren may work hard to boost his bureau's reputation for Washington coverage, he is best known for his outspoken criticism of fellow journalists. Some reporters cheer him on and fax him tips for ''Cokie Watch.'' Others are highly critical and ask who crowned Warren chief of the Washington ethics police.

Even Warren admits his relentless assault has turned him into a caricature.

''I'm now in the Rolodex as iconoclast, badass Tribune bureau chief who writes about Cokie Roberts all the time,'' says Warren, who in fact doesn't. ''But I do get lots of feedback from rank-and-file journalists saying. 'Way to go. You're dead right,' It obviously touches a nerve among readers.''

So Warren writes about Cokie and Steve Roberts getting $45,000 from a Chicago bank for a speech and the traveling team of television's ''The Capital Gang'' sharing $25,000 for a show at Walt Disney World. He throws in parenthetically that Capital Gang member Michael Kinsley ''should know better.''

Kinsley says he would have agreed a few years ago, but he's changed his tune. He now believes there are no intrinsic ethical problems with taking money for speaking. He does it, he wrote in The New Republic in May, for the money, because it's fun and it boosts his ego.

''Being paid more than you're worth is the American dream,'' he wrote. ''I see a day when we'll all be paid more than we're worth. Meanwhile, though, there's no requirement for journalists, alone among humanity, to deny themselves the occasional fortuious tastes of this bliss.''

To Kinsley, new rules restricting a reporter's right to lecture for largesse don't accomplish much.

''Such rules merely replace the appearance of corruption with the appearance of propriety,'' he wrote. ''What keeps journalists on the straight and narrow most of the time is not a lot of rules about potential conflicts of interest, but the basic reality of our business that a journalist's product is out there for all to see and evaluate.''

The problem, critics say, is that without knowing who besides the employer is paying a journalist, the situation isn't quite that clear-cut.

Jonathan Salant, president of the Washington chapter of the Society of Professional Journalists, cites approvingly a remark by former Washington Post Executive Editor Ben Bradlee in AJR's March issue: ''If the Insurance Institute of America, if there is such a thing, pays you $10,000 to make a speech, don't tell me you haven't been corrupted. You can say you haven't and you can say you will attack insurance issues in the same way, but you won't. You can't.''

Salant thinks SPJ should adopt an absolute ban on speaking fees as it revises its ethics code. Most critics want some kind of public disclosure at the very least.

Says the Wall Street Journal's Murray, ''You tell me what is the difference between somebody who works full time for the National Association of Realtors and somebody who takes $40,000 a year in speaking fees from Realtor groups. It's not clear to me there's a big distinction. I'm not saying that because you take $40,000 a year from Realtors that you ought to be thrown out of the profession. But at the very least, you ought to disclose that.''

And so Murray is implementing a disclosure policy. By the end of the year, the 40 journalists working in his bureau will be required to list outside income in a report that will be available to the pubic.

''People are not just cynical about politicians,'' says Murray. ''They are cynical about us. Anything we can do to ease that cynicism is worth doing.''

Sen. Grassley applauds the move. Twice he has taken to the floor of the Senate to urge journalists to disclose what they earn on the lecture circuit.

''It's both the amount and doing it,'' he says. ''I say the pay's too much and we want to make sure the fee is disclosed. The average worker in my state gets about $21,000 a year. Imagine what he or she thinks when a journalist gets that much for just one speech?''

Public disclosure, says Grassley, would curtail the practice.

Disclosure is often touted as the answer. Many journalists, such as Kinsley and Wall Street Journal columnist Al Hunt—a television pundit and Murray's predecessor as bureau chief—have said they will disclose their engagements and fees only if their colleagues do so as well.

Other high-priced speakers have equally little enthusiasm for making the information public. ''I don't like the idea,'' says ABC's Greenfield. ''I don't like telling people how much I get paid.''

But one ABC correspondent says he has no problem with public scrutiny. John Stossel, a reporter on ''20/20,'' voluntarily agreed to disclose some of the ''absurd'' fees he's earned. Last year and through March of this year Stossel raked in $160,430 for speeches—$135,280 of which was donated to hospital, scholarship and conservation programs.

''I just think secrecy in general is a bad thing,'' says Stossel, who did not object to ABC's new policy. ''We [in the media] do have some power. We do have some influence. That's why I've come to conclude I should disclose, so people can judge whether I can be bought.''

(Stossel didn't always embrace this notion so enthusiastically. Last year he told AJR he had received between $2,000 and $10,000 for a luncheon speech, but wouldn't be more precise.)

Brian Lamb, founder and chairman of C-SPAN, has a simpler solution, one that also has been adopted by ABC's Peter Jennings, NBC's Tom Brokaw and CBS' Dan Rather and Connie Chung. They speak, but not for money.

''I never have done it,'' Lamb says. ''It sends out one of those messages that's been sent out of this town for the last 20 years: Everybody does everything for money. When I go out to speak to somebody I want to have the freedom to say exactly what I think. I don't want to have people suspect that I'm there because I'm being paid for it.''

On February 20, according to the printed program, Philip Morris executives from around the world would have a chance to listen to Cokie and Steve Roberts at 7 a.m. while enjoying a continental breakfast. ''Change in Washington: A Media Perspective with Cokie and Steve Roberts,'' was the scheduled event at the PGA resort in Palm Beach during Philip Morris' three-day invitational golf tournament.

A reporter who sent the program to AJR thought it odd that Cokie Roberts would speak for Philip Morris in light of the network's new policy. Even more surprising, he thought, was that she would speak to a company that's suing ABC for libel over a ''Day One'' segment that alleged Philip Morris adds nicotine to cigarettes to keep smokers addicted. The case is scheduled to go to trial in September.

At the last minute, Cokie Roberts was a no-show, says one of the organizers. ''Cokie was sick or something,'' says Nancy Schaub of Event Links, which put on the golf tournament for Philip Morris. ''Only Steve Roberts came.''

Cokie Roberts won't talk to AJR about why she changed her plans. Perhaps she got Dick Wald's message.

''Of course, it's tempting and it's nice,'' Wald says of hefty honoraria. ''Of course, they [ABC correspondents] have rights as private citizens. It's not an easy road to go

down. But there are some things you just shouldn't do and that's one of them.''

TRIBUTE TO GEN. JOHN MICHAEL LOH, USAF, ON HIS RETIREMENT

Mr. NUNN. Mr. President, today I want to recognize Gen. John Michael Loh for his 39 years of distinguished service to our Nation. General Loh has displayed exceptional leadership in a wide-ranging Air Force career that culminated as commander of the Air Combat Command. As a Georgian, I am proud to note that General Loh is a native of Macon, GA.

General Loh graduated from the U.S. Air Force Academy as a distinguished graduate in 1960. Ultimately, he rose to command the 250,000 men and women of Air Combat Command

General Loh is a highly decorated veteran of the Vietnam war. He flew over 200 combat missions in the F–4 at Da Nang Air Force Base, South Vietnam. Later, General Loh also served as a test pilot, helping usher in the technological improvements we see in today's advanced fighters. As the director of the F–16 System Program Office, he led the acquisition efforts that brought our country the world's best multirole fighter.

His numerous military awards and decorations include the Distinguished Service Medal, Legion of Merit with Oak Leaf Cluster, the Distinguished Flying Cross, Meritorious Service Medal, and the Air Medal with seven Oak Leaf Clusters.

General Loh has flown over 5,000 hours as a command pilot in the F–16, A–7, F–4, and F–104 to mention just a few. He recently capped his career by flying our Nation's most sophisticated aircraft—the B–2 bomber. Perhaps his greatest feat, however, was in leading the successful merger of Strategic and Tactical Air Commands into Air Combat Command. In fact, the Air Force Association awarded him its highest military honor, the Hap Arnold Award, for his leadership of Air Combat Command and his national reputation for quality improvement. Vice President GORE singled out Air Combat Command as a shining example of reinventing government.

Despite the significant changes in the Air Force and our military structure as a whole, General Loh leaves a command that performed brilliantly during and after the gulf war, and more recently, has responded quickly and effectively to contingency operations around the world.

The United States is indebted to General Loh for his selfless and distinguished service. I offer my sincere thanks and appreciation for a job well done and wish General Loh and his wife, Barbara, continued success in the future.

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–987. A communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–988. A communication from the Secretary of Veterans' Affairs, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–989. A communication from the Secretary of Labor, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–990. A communication from the Chairman of the National Endowment for the Humanities, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–991. A communication from the Administrator of the U.S. Agency for International Development, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–992. A communication from the Chairman and General Counsel of the National Labor Relations Board, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–993. A communication from the Administrator of the National Aeronautics and Space Administration, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–994. A communication from the Public Printer of the Government Printing Office, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–995. A communication from the Secretary of the Interior, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–996. A communication from the Chairman of the Consumer Product Safety Commission, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–997. A communication from the Chairman of the Equal Employment Opportunity Commission, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–998. A communication from the Director of the U.S. Information Agency, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–999. A communication from the Chairman of the Interstate Commerce Commission, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–1000. A communication from the Chairman of the National Endowment for the Arts, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–1001. A communication from the Acting Director of the Peace Corps, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–1002. A communication from the Federal Trade Commission, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–1003. A communication from the Secretary of the Smithsonian Institution, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–1004. A communication from the Administrator of the Small Business Administration, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–1005. A communication from the Deputy and Acting Chief Executive Officer of the Resolution Trust Corporation and the Chairman of the Thrift Depositor Protection Oversight Board, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–1006. A communication from the Chairman of the U.S. International Trade Commission, transmitting jointly, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–1007. A communication from the Chairman of the National Science Board, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–1008. A communication from the Secretary of Commerce, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–1009. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–1010. A communication from the Secretary of Education, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–1011. A communication from the Chief Executive Officer of the Corporation for National Service, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–1012. A communication from the Chairman of the National Endowment for the Humanities, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–1013. A communication from the Attorney General, transmitting, pursuant to law, the report under the Inspector General Act

for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–1014. A communication from the Secretary of Energy, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–1015. A communication from the Chairman of the Federal Maritime Commission, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–1016. A communication from the Secretary of Labor, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–1017. A communication from the Chairman of the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–1018. A communication from the Administrator of the General Services Administration, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–1019. A communication from the Chairman of the National Credit Union Administration, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–1020. A communication from the Chairman of the Securities and Exchange Commission, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–1021. A communication from the Chairman of the Board of Directors of the Panama Canal Commission, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC–1022. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, the report under the Government in the Sunshine Act for calendar year 1994; to the Committee on Governmental Affairs.

EC–1023. A communication from the Administrator of the Office of Independent Counsel, transmitting, pursuant to law, the report on audit and investigative activities; to the Committee on Governmental Affairs.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. THURMOND, from the Committee on Armed Services:

John P. White, of Massachusetts, to be Deputy Secretary of Defense.

(The above nomination was reported with the recommendation that he be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. GREGG:

S. 924. A bill to amend the Internal Revenue Code of 1986 to provide a reduction in the capital gains tax for assets held more than 2 years, to impose a surcharge on short-term capital gains, and for other purposes; to the Committee on Finance.

By Mr. MACK (for himself, Mr. LIEBERMAN, Mr. GRAMM, Mr. HELMS, and Mr. DOLE):

S. 925. A bill to impose congressional notification and reporting requirements on any negotiations or other discussions between the United States and Cuba with respect to normalization of relations; to the Committee on Foreign Relations.

By Mr. BRYAN:

S. 926. A bill to improve the interstate enforcement of child support and parentage court orders, and for other purposes; to the Committee on Finance.

By Mr. HELMS:

S. 927. A bill to provide for the liquidation or reliquidation of a certain entry of warp knitting machines as free of certain duties; to the Committee on Finance.

By Mr. INHOFE (for himself, Mr. BURNS, and Mrs. KASSEBAUM):

S. 928. A bill to enhance the safety of air travel through a more effective Federal Aviation Administration, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. ABRAHAM (for himself, Mr. DOLE, Mr. FAIRCLOTH, Mr. NICKLES, Mr. GRAMM, and Mr. BROWN):

S. 929. A bill to abolish the Department of Commerce; to the Committee on Governmental Affairs.

By Mr. SHELBY (for himself, Mr. LOTT, Mr. BROWN, Mr. FAIRCLOTH, Mr. GRASSLEY, Mr. INHOFE, Mr. MACK, Mr. MCCONNELL, and Mr. SIMPSON):

S. 930. A bill to require States receiving prison construction grants to implement requirements for inmates to perform work and engage in educational activities, and for other purposes; to the Committee on the Judiciary.

By Mr. PRESSLER (for himself, Mr. DASCHLE, Mr. GRASSLEY, Mr. HARKIN, and Mr. WELLSTONE):

S. 931. A bill to authorize the construction of the Lewis and Clark Rural Water System and to authorize assistance to the Lewis And Clark Rural Water System, Inc., a nonprofit corporation, for the planning and construction of the water supply system, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. JEFFORDS (for himself, Mr. KENNEDY, Mr. CHAFEE, Mr. AKAKA, Mr. BINGAMAN, Mrs. BOXER, Mr. BRADLEY, Mr. DODD, Mr. FEINGOLD, Mrs. FEINSTEIN, Mr. GLENN, Mr. HARKIN, Mr. INOUYE, Mr. KERREY, Mr. KERRY, Mr. KOHL, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEVIN, Mr. LIEBERMAN, Ms. MIKULSKI, Ms. MOSELEY-BRAUN, Mr. MOYNIHAN, Mrs. MURRAY, Mr. PACKWOOD, Mr. PELL, Mr. ROBB, Mr. SARBANES, Mr. SIMON, and Mr. WELLSTONE):

S. 932. A bill to prohibit employment discrimination on the basis of sexual orientation; to the Committee on Labor and Human Resources.

By Mr. SIMON:

S. 933. A bill to amend the Public Health Service Act to ensure that affordable, comprehensive, high quality health care coverage is available through the establishment of State-based programs for children and for all uninsured pregnant women, and to facilitate access to health services, strengthen public health functions, enhance health-related research, and support other activities that improve the health of mothers and children, and for other purposes; to the Committee on Labor and Human Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DOLE (for himself and Mr. DASCHLE):

S. Res. 134. A resolution expressing the Senate's gratitude to Sheila P. Burke for her service as Secretary of the Senate; considered and agreed to.

S. Res. 135. A resolution to authorize production of documents, testimony by a former Senate employee and representation by Senate Legal Counsel; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GREGG:

S. 924. A bill to amend the Internal Revenue Code of 1986 to provide a reduction in the capital gains tax for assets held more than 2 years, to impose a surcharge on short-term capital gains, and for other purposes; to the Committee on Finance.

THE LONG-TERM INVESTMENT INCENTIVE ACT OF 1995

●Mr. GREGG. Mr. President, I introduce a bill that will have a significant impact on the promotion of long-term investment through a reduction in the capital gains tax. I believe the Congress has a responsibility to enact laws promoting long-term capital investment and savings by all Americans. Part of fulfilling this obligation must include implementing a plan that would reduce the current capital gains tax rate on long-term investments.

We must also, however, balance this important economic goal against the moral issue of adding increasing debt onto our children's shoulders. This becomes an unavoidable issue in the capital gains debate because the Joint Committee on Taxation scores capital gains a big revenue loser. This scoring issue is an unfortunate fact that we in Congress cannot ignore.

Accordingly, I have developed legislation that would encourage long-term investment by amending the current capital gains tax using a sliding scale plan. My bill encourages an individual to hold an asset over a number of years, thus, allowing a greater tax reduction on investments, with the maximum benefit being reached after 4 years. It would reward individuals who look toward contributing to a savings plan over a number of years, while at the same time making quick fix investments less attractive. This sliding scale plan would encourage investments that benefit long-term savings,

such as a child's education, an individual's retirement, or other nonspeculative holdings.

The theory behind the sliding scale reduction on capital gains hinges upon an agreed goal: the promotion of savings and long-term investment through a capital gains cut, while recognizing our current fiscal realities. The Joint Committee on Taxation estimates this plan would lose just $7.4 billion in revenue over the 1995–2000 period.

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. 924

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE.

(a) SHORT TITLE.—This Act may be cited as the ''Long-Term Investment Incentive Act of 1995''.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

SEC. 2. REDUCTION OF TAX ON LONG-TERM CAPITAL GAINS ON ASSETS HELD MORE THAN 2 YEARS.

(a) IN GENERAL.—Part I of subchapter P of chapter 1 (relating to treatment of capital gains) is amended by redesignating section 1202 as section 1203 and by inserting after section 1201 the following new section:

''SEC. 1202. CAPITAL GAINS DEDUCTION FOR ASSETS HELD BY NONCORPORATE TAXPAYERS MORE THAN 2 YEARS.

''(a) GENERAL RULE.—If a taxpayer other than a corporation has a net capital gain for any taxable year, there shall be allowed as a deduction an amount equal to the sum of—

''(1) 20 percent of the qualified 4-year capital gain,

''(2) 10 percent of the qualified 3-year capital gain, plus

''(3) 5 percent of the qualified 2-year capital gain.

''(b) DEFINITIONS.—For purposes of this title—

''(1) QUALIFIED 4-YEAR CAPITAL GAIN.—The term 'qualified 4-year capital gain' means the lesser of—

''(A) the amount of long-term capital gain which would be computed for the taxable year if only gain from the sale or exchange of property held by the taxpayer for more than 4 years were taken into account, or

''(B) the net capital gain.

''(2) QUALIFIED 3-YEAR CAPITAL GAIN.—The term 'qualified 3-year capital gain' means the lesser of—

''(A) the amount of long-term capital gain which would be computed for the taxable year if only gain from the sale or exchange of property held by the taxpayer for more than 3 years but not more than 4 years were taken into account, or

''(B) the net capital gain, reduced by the qualified 4-year capital gain.

''(3) QUALIFIED 2-YEAR CAPITAL GAIN.—The term 'qualified 2-year capital gain' means the lesser of—

''(A) the amount of long-term capital gain which would be computed for the taxable year if only gain from the sale or exchange of property held by the taxpayer for more than 2 years but not more than 3 years were taken into account, or

''(B) the net capital gain, reduced by the qualified 4-year capital gain and qualified 3-year capital gain.

''(c) ESTATES AND TRUSTS.—In the case of an estate or trust, the deduction under subsection (a) shall be computed by excluding the portion (if any) of the gains for the taxable year from sales or exchanges of capital assets which, under sections 652 and 662 (relating to inclusions of amounts in gross income of beneficiaries of trusts), is includible by the income beneficiaries as gain derived from the sale or exchange of capital assets.

''(d) COORDINATION WITH TREATMENT OF CAPITAL GAIN UNDER LIMITATION ON INVESTMENT INTEREST.—For purposes of this section, the net capital gain for any taxable year shall be reduced (but not below zero) by the amount which the taxpayer takes into account as investment income under section 163(d)(4)(B)(iii).

''(e) TREATMENT OF COLLECTIBLES.—

''(1) IN GENERAL.—Solely for purposes of this section, any gain or loss from the sale or exchange of a collectible shall be treated as a short-term capital gain or loss (as the case may be), without regard to the period such asset was held. The preceding sentence shall apply only to the extent the gain or loss is taken into account in computing taxable income.

''(2) TREATMENT OF CERTAIN SALES OF INTEREST IN PARTNERSHIP, ETC.—For purposes of paragraph (1), any gain from the sale or exchange of an interest in a partnership, S corporation, or trust which is attributable to unrealized appreciation in the value of collectibles held by such entity shall be treated as gain from the sale or exchange of a collectible. Rules similar to the rules of section 751(f) shall apply for purposes of the preceding sentence.

''(3) COLLECTIBLE.—For purposes of this subsection, the term 'collectible' means any capital asset which is a collectible (as defined in section 408(m) without regard to paragraph (3) thereof).

''(f) TRANSITIONAL RULE.—

''(1) IN GENERAL.—Gain may be taken into account under subsection (b)(1)(A), (b)(2)(A), or (b)(3)(A) only if such gain is properly taken into account on or after July 1, 1995.

''(2) SPECIAL RULES FOR PASS-THRU ENTITIES.—

''(A) IN GENERAL.—In applying paragraph (1) with respect to any pass-thru entity, the determination of when gains and losses are properly taken into account shall be made at the entity level.

''(B) PASS-THRU ENTITY DEFINED.—For purposes of subparagraph (A), the term 'pass-thru entity' means—

''(i) a regulated investment company,

''(ii) a real estate investment trust,

''(iii) an S corporation,

''(iv) a partnership,

''(v) an estate or trust, and

''(vi) a common trust fund.''

(b) DEDUCTION ALLOWABLE IN COMPUTING ADJUSTED GROSS INCOME.—Subsection (a) of section 62 is amended by inserting after paragraph (15) the following new paragraph:

''(16) LONG-TERM CAPITAL GAINS.—The deduction allowed by section 1202.''

(c) MAXIMUM CAPITAL GAINS RATE.—Clause (i) of section 1(h)(1)(A), as amended by section 3(a), is amended by striking ''the net capital gain'' and inserting ''the excess of the net capital gain over the deduction allowed under section 1202''.

(d) TREATMENT OF CERTAIN PASS-THRU ENTITIES.—

(1) CAPITAL GAIN DIVIDENDS OF REGULATED INVESTMENT COMPANIES.—

(A) Subparagraph (B) of section 852(b)(3) is amended to read as follows:

''(B) TREATMENT OF CAPITAL GAIN DIVIDENDS BY SHAREHOLDERS.—A capital gain dividend shall be treated by the shareholders as gain from the sale or exchange of a capital asset held for more than 1 year but not more than 2 years; except that—

''(i) the portion of any such dividend designated by the company as allocable to qualified 4-year capital gain of the company shall be treated as gain from the sale or exchange of a capital asset held for more than 4 years,

''(ii) the portion of any such dividend designated by the company as allocable to qualified 3-year capital gain of the company shall be treated as gain from the sale or exchange of a capital asset held for more than 3 years but not more than 4 years, and

''(iii) the portion of any such dividend designated by the company as allocable to qualified 2-year capital gain of the company shall be treated as gain from the sale or exchange of a capital asset held for more than 2 years but not more than 3 years.

Rules similar to the rules of subparagraph (C) shall apply to any designation under clause (i), (ii), or (iii).''

(B) Clause (i) of section 852(b)(3)(D) is amended by adding at the end the following new sentence: ''Rules similar to the rules of subparagraph (B) shall apply in determining character of the amount to be so included by any such shareholder.''

(2) CAPITAL GAIN DIVIDENDS OF REAL ESTATE INVESTMENT TRUSTS.—Subparagraph (B) of section 857(b)(3) is amended to read as follows:

''(B) TREATMENT OF CAPITAL GAIN DIVIDENDS BY SHAREHOLDERS.—A capital gain dividend shall be treated by the shareholders or holders of beneficial interests as gain from the sale or exchange of a capital asset held for more than 1 year but not more than 2 years; except that—

''(i) the portion of any such dividend designated by the real estate investment trust as allocable to qualified 4-year capital gain of the trust shall be treated as gain from the sale or exchange of a capital asset held for more than 4 years,

''(ii) the portion of any such dividend designated by the trust as allocable to qualified 3-year capital gain of the trust shall be treated as gain from the sale or exchange of a capital asset held for more than 3 years but not more than 4 years, and

''(iii) the portion of any such dividend designated by the trust as allocable to qualified 2-year capital gain of the trust shall be treated as gain from the sale or exchange of a capital asset held for more than 2 years but not more than 3 years.

Rules similar to the rules of subparagraph (C) shall apply to any designation under clause (i) or (ii).''

(3) COMMON TRUST FUNDS.—Subsection (c) of section 584 is amended—

(A) by inserting ''and not more than 2 years'' after ''1 year'' each place it appears in paragraph (2),

(B) by striking ''and'' at the end of paragraph (2), and

(C) by redesignating paragraph (3) as paragraph (6) and inserting after paragraph (2) the following new paragraphs:

''(3) as part of its gains from sales or exchanges of capital assets held for more than 2 years but less than 3 years, its proportionate share of the gains of the common trust fund from sales or exchanges of capital assets held for more than 2 years but not more than 3 years,

''(4) as part of its gains from sales or exchanges of capital assets held for more than 3 years but less than 4 years, its proportionate share of the gains of the common trust fund from sales or exchanges of capital

assets held for more than 3 years but less than 4 years,

''(5) as part of its gains from sales or exchanges of capital assets held more than 4 years, its proportionate share of the gains of the common trust fund from sales or exchanges of capital assets held for more than 4 years, and''.

(e) TECHNICAL AND CONFORMING CHANGES.—

(1) Subparagraph (B) of section 170(e)(1) is amended by inserting ''(or, in the case of a taxpayer other than a corporation, the percentage of such gain equal to 100 percent minus the percentage applicable to such gain under section 1202(a))'' after ''the amount of gain''.

(2) Subparagraph (B) of section 172(d)(2) is amended to read as follows:

''(B) the deduction under section 1202 and the exclusion under section 1203 shall not be allowed.''

(3)(A) Section 220 (relating to cross reference) is amended to read as follows:

''SEC. 220. CROSS REFERENCES.

''(1) For deduction for net capital gains in the case of a taxpayer other than a corporation, see section 1202.

''(2) For deductions in respect of a decedent, see section 691.''

(B) The table of sections for part VII of subchapter B of chapter 1 is amended by striking ''reference'' in the item relating to section 220 and inserting ''references''.

(4) The last sentence of section 453A(c)(3) is amended by striking all that follows ''long-term capital gain,'' and inserting ''the maximum rate on net capital gain under section 1(h) or 1201 or the deduction under section 1202 (whichever is appropriate) shall be taken into account.''

(5) Paragraph (4) of section 642(c) is amended to read as follows:

''(4) ADJUSTMENTS.—To the extent that the amount otherwise allowable as a deduction under this subsection consists of gain from the sale or exchange of capital assets held for more than 1 year, proper adjustment shall be made for any deduction allowable to the estate or trust under section 1202 or any exclusion allowable to the estate or trust under section 1203(a). In the case of a trust, the deduction allowed by this subsection shall be subject to section 681 (relating to unrelated business income).''

(6) The last sentence of paragraph (3) of section 643(a) is amended to read as follows: ''The deduction under section 1202 and the exclusion under section 1203 shall not be taken into account.''

(7) Subparagraph (C) of section 643(a)(6) is amended by inserting ''(i)'' before ''there shall'' and by inserting before the period '', and (ii) the deduction under section 1202 (relating to capital gains deduction) shall not be taken into account''.

(8) Paragraph (4) of section 691(c) is amended by striking ''sections 1(h), 1201, and 1211'' and inserting ''sections 1(h), 1201, 1202, and 1211''.

(9) The second sentence of section 871(a)(2) is amended by inserting ''or 1203'' after ''1202''.

(10) Subsection (d) of section 1044 is amended by striking ''1202'' and inserting ''1203''.

(11) Paragraph (1) of section 1402(i) is amended by inserting '', and the deduction provided by section 1202 shall not apply'' before the period at the end thereof.

(f) CLERICAL AMENDMENT.—The table of sections for part I of subchapter P of chapter 1 is amended by inserting after the item relating to section 1201 the following new item:

''Sec. 1202. Capital gains deduction for assets held by noncorporate taxpayers more than 2 years.''

(g) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to taxable years ending after June 30, 1995.

(2) CONTRIBUTIONS.—The amendment made by subsection (e)(1) shall apply to contributions on or after July 1, 1995.

SEC. 3. SURCHARGE ON CAPITAL GAINS ON ASSETS HELD 1 YEAR OR LESS.

(a) IN GENERAL.—Subsection (h) of section 1 (relating to maximum capital gains rate) is amended to read as follows:

''(h) MAXIMUM CAPITAL GAINS TAXES.—

''(1) IN GENERAL.—If a taxpayer has a net capital gain for any taxable year, then the tax imposed by this section shall not exceed the sum of—

''(A) a tax computed at the rates and in the same manner as if this subsection had not been enacted on the greater of—

''(i) taxable income reduced by the amount of net capital gain, or

''(ii) the amount of taxable income taxed at a rate below 28 percent, plus

''(B) a tax of 28 percent of the amount of taxable income in excess of the amount determined under subparagraph (A).

For purposes of the preceding sentence, the net capital gain for any taxable year shall be reduced (but not below zero) by the amount which the taxpayer elects to take into account as investment income for the taxable year under section 163(d)(4)(B)(iii).

''(2) SURCHARGE ON NET SHORT-TERM CAPITAL GAIN.—

''(A) IN GENERAL.—If a taxpayer has a net short-term capital gain for any taxable year, the tax imposed by this section (without regard to this paragraph) shall be increased by an amount equal to the sum of—

''(i) 5.6 percent of the taxpayer's 6-month short-term capital gain, plus

''(ii) 2.8 percent of the taxpayer's 12-month short-term capital gain.

''(B) MAXIMUM RATE.—

''(i) IN GENERAL.—Subparagraph (A) shall not be applied to the extent it would result in—

''(I) 6-month short-term capital gain being taxed at a rate greater than 33.6 percent, or

''(II) 12-month short-term capital gain being taxed at a rate greater than 30.8 percent.

''(ii) ORDERING RULE.—For purposes of clause (i), the rate or rates at which 6-month or 12-month short-term capital gain is being taxed shall be determined as if—

''(I) such gain were taxed after all other taxable income, and

''(II) 12-month short-term capital gain were taxed after 6-month short-term capital gain.

''(C) DEFINITIONS.—For purposes of this paragraph—

''(i) 6-MONTH SHORT-TERM CAPITAL GAIN.—The term '6-month short-term capital gain' means the lesser of—

''(I) the amount of short-term capital gain which would be computed for the taxable year if only gain from the sale or exchange of property held by the taxpayer for 6 months or less were taken into account, or

''(II) net short-term capital gain.

''(ii) 12-MONTH SHORT-TERM CAPITAL GAIN.—The term '12-month short-term capital gain' means the lesser of—

''(I) the amount of short-term capital gain which would be computed for the taxable year if only gain from the sale or exchange of property held by the taxpayer for more than 6 months but not more than 12 months were taken into account, or

''(II) net short-term capital gain, reduced by 6-month short-term capital gain.

For purposes of clause (i)(I) or (ii)(I), gain may be taken into account only if such gain is properly taken into account on or after July 1, 1995.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years ending after June 30, 1995.●

By Mr. MACK (for himself, Mr. LIEBERMAN, Mr. GRAMM, Mr. HELMS, and Mr. DOLE):

S. 925. A bill to impose congressional notification and reporting requirements on any negotiations or other discussions between the United States and Cuba with respect to normalization of relations; to the Committee on Foreign Relations.

CUBA LEGISLATION

Mr. MACK. Mr. President, on May 2, the Clinton administration reversed 30 years of United States policy by agreeing with Fidel Castro that future refugees would be picked up by United States forces and returned to Cuba. The administration portrays its decision as an immigration control measure reached in secret for the good of misguided Cubans who might set out on rafts and inner tubes to reach the United States before the doors slammed shut. Apparently, it was necessary to keep senior United States officials responsible for Cuba policy in the dark as well. The Clinton administration has not satisfactorily explained its motives and objectives in reaching this agreement with the Castro regime. Therefore, I am introducing this bill which would deny funds for negotiations or other contacts related to normalization with the Castro regime unless the administration has notified Congress 15 days in advance.

This measure is not intended to interfere with the administration's ability to conduct diplomacy. It simply requires that if and when President Clinton decides to abandon the centerpiece of the United States' historic policy toward the Castro dictatorship, he does so in an open and public way.

For 36 years, Fidel Castro has terrorized Cuba's people, destroyed its economy, and used it as a base for subversion. I could never have imagined circumstances under which the United States would treat Castro's Cuba like just another negotiating partner. But last month, that's just what the Clinton administration did when it cut a deal reversing 30 years of United States policy on welcoming refugees from Castro's Cuba.

I will not dignify what the administration did by calling it ''secret diplomacy.'' It was a craven exercise. As A.M. Rosenthal wrote in the New York Times, the Clinton administration ''got a contemptuous zero from Castro for breaking its promises, not even the release of some political prisoners, not the grant of a single civil liberty.''

At a briefing on Capitol Hill the day the policy U-turn was announced, a Clinton administration official was asked whether, under the terms of a deal between the United States and Cuba on interdiction and repatriation of refugees, the Castro regime had pledged to repeal the Cuban law that makes it a crime to leave Cuba without

permission. The official didn't know. Then the official was asked how we can be sure the Castro regime won't use the law to retaliate against returned rafters. ''Prosecutorial discretion,'' replied the official.

In a nutshell, that anecdote illustrates the mindset of the Clinton administration. Administration officials—some of them anyway—cannot distinguish between the Castro regime and governments based on the rule of law. This is why many of my colleagues and I are so deeply disturbed by recent overtures to Castro. We don't know where they will stop. We have no reason to believe that the administration won't continue to make concessions at the expense of the Cuban people. My colleagues and I are introducing this bill to let the administration know that the friends of the Cuban people in the United States Congress will not stand by and let this administration engage in anything but a strong policy of support for democracy and freedom in Cuba.

By Mr. BRYAN:

S. 926. A bill to improve the interstate enforcement of child support and parentage court orders, and for other purposes; to the Committee on Finance.

THE CHILD SUPPORT ENFORCEMENT ACT

Mr. BRYAN. Mr. President, today I am introducing my Child Support Enforcement Act legislation from the last Congress to help further strengthen our efforts to get deadbeat parents to responsibly provide for their children.

Congress has recently taken many positive steps to increase the effectiveness of child support enforcement laws. In the 102d Congress, we were successful in enacting legislation, which I sponsored in the Senate, to require credit bureaus to indicate on an individual's credit file when he or she is delinquent in child support payments. This has provided a strong incentive for parents to stay current in their payments.

The 103d Congress enacted laws to make deadbeat parents who fail to pay child support ineligible for small business loans; to designate child support payments as priority debts when an individual files for bankruptcy; to strengthen State paternity establishment procedures and to require health insurers to carry out orders for medical child support; and to restrict a State court's ability to modify a child support order issued by another State.

As part of much needed welfare reform, we must include improvements to the child support enforcement system. I will introduce portions of this bill as an amendment when welfare reform is debated in the Senate, which I hope will be done before July 4. We need to find as many ways as possible to find delinquent parents, and hold them to their responsibilities.

We all lament the increasing number of unwed teenage girls who have children. This situation is particularly disheartening when these young mothers are themselves mere children. But too often in the past, our public policies have focused on the mother and ignored the responsibility of the father. Those fathers, who many times have already walked away before their children are even born, must face the reality of their parental and financial responsibilities.

During the past 2 months, I have visited child support enforcement offices in Las Vegas and Reno, NV. These visits included both the State welfare division and the district attorney child support enforcement offices. It was an eye-opening experience.

I was overwhelmed by the thousands of case files stacked throughout these offices. Employees in these offices are literally surrounded by files. They are joined by scores of investigators and attorneys who work ceaselessly to ensure as many deadbeat parents as possible are found, and legally persuaded to fulfill their financial responsibilities.

Although Nevada is the fastest growing State in the Nation, it is a comparatively small State with about 1.6 million people. Yet its State Child Support Enforcement Program had 66,385 cases in fiscal year 1994. The program was able to collect $62.7 million. The unfortunate fact, however, is that the total owed was almost $352 million, leaving an uncollected balance of almost $290 million. In April of this year, Nevada's caseload has already grown to over 69,000 cases.

These cases represent only those children whose families are receiving aid to families with dependent children, or who are using the services of the county district attorney offices to enforce child support. The many Nevadans using private attorneys are not included.

The facts are simple. Nationally, one in four children live in a single-parent household. But one of the most startling statistics is that only half of these single parents have sought and obtained child support orders.

This means 50 percent of these single mothers either have been unable to track down the father, have not pursued support, or are unaware of their legal child support enforcement rights.

Of the parents who have sought out and obtained child support, only half receive the full amount to which they are entitled.

Let me make this clear—50 percent of single mothers do not even have child support orders, and of the 50 percent that do, only half of them are getting what their children are entitled to receive. Thus 25 percent of the single parents who have child support orders actually receive nothing at all.

These facts should concern us. It is all too true that many single parents must seek public welfare assistance in order to be able to support their children. When we taxpayers are asked to lend a helping hand to these children, we should be assured every effort is being made to require absent deadbeat parents meet their financial responsibilities to those same children. Public assistance should not be the escape valve relied upon by those parents who want to walk away from their children.

No one who shares the responsibility for bringing children into this world should later be allowed to shirk that responsibility by refusing to admit paternity or failing to pay child support. The legislation I am introducing today adds to the arsenal available to those trying to enforce child support.

In April, I visited with eligibility workers in a local Las Vegas welfare office. I was incredulous when I learned many Federal welfare assistance programs do not require recipients to participate in State and Federal child support enforcement efforts. In fact, only Aid to Families with Dependent Children or AFDC, and Medicaid currently require their recipients cooperate with child support enforcement efforts.

For example, if a parent with children receives food stamps, there is no requirement, as a condition of receiving that assistance, that the parent cooperate with child support enforcement agencies to collect any child support payments to which he or she is entitled. Under my legislation, all welfare assistance programs receiving Federal funds will require all recipients to cooperate with efforts to collect child support benefits as a condition of receiving benefits.

Second, this legislation authorizes State and Federal Governments to deny delinquent parents an array of benefits. A delinquent parent can be denied an occupational, professional, or business license, a Federal loan or guarantee, and could even have his or her passport revoked if the threat of fleeing the country was likely. The goal is not to drive those who want to meet their obligations away, but rather to make sure those ignoring their children understand society will not tolerate that irresponsible behavior.

These provisions should be particularly effective in dealing with delinquent parents who are self-employed, and who are not covered by the mandatory employer child support payment withholding.

The bill also builds on our past efforts of using the credit reporting system. It permits State agencies to obtain credit files in order to track down delinquent parents, or to help determine the appropriate amount of child support payment.

The bill also improves the interstate enforcement process by establishing a jurisdictional basis for State court recognition of child support orders of other States. The problems associated with collecting child support are magnified when parents live in different States. Part of the difficulty stems from differences in State laws, policies, and procedures.

I have heard numerous cases of frustrating experiences in attempting to serve process on out-of-State delinquent parents, and in getting certain

evidence obtained in one State admitted at a hearing in another State. One in three children support orders involve parents in different States. On average, it takes 1 year to locate an absent parent, and 2 years to establish a court order if the parent has deserted a family.

Finally, the bill makes it more difficult for parents to hide assets in an attempt to avoid paying their fair share of child support. A difficult problem to resolve is when a delinquent parent transfers property to a friend or relative for little compensation to avoid child support payments. Under this bill, States would be allowed to void conveyances of property made to avoid paying child support.

We must give our courts and law enforcement agencies the tools they need to crack down on delinquent parents. We must assure taxpayers who lend the helping hand to impoverished single mothers and their children that every effort is being made to get the deadbeat parents to pay up. We must ensure the children receive adequate and consistent child support, so they are able to have the opportunity to become successful, productive and healthy adults.

I believe my legislation will move us a long way on the path to meet those goals. I request my colleagues to join with me in this effort to make this law before the end of the year. The children deserve no less.

By Mr. HELMS:

S. 927. A bill to provide for the liquidation or reliquidation of a certain entry of warp knitting machines as free of certain duties; to the Committee on Finance.

DUTY LEGISLATION

Mr. HELMS. Mr. President, I send to the desk, for appropriate referral, a bill on behalf of D&S International of Burlington, NC, which imported from Germany, four warp knitting machines at a duty-free rate which D&S then sold to a Venezuelan company, which decided not to keep the machines and returned them to D&S.

Upon reentry, the Customs Service mistakenly classified the machines first as a reentry of United States goods, instead of a German, then misclassified them at a duty rate of 4.4 percent.

D&S contacted Customs to protest the duty assessment. However, Customs ruled that the D&S memorandum did not qualify as a formal protest because D&S did not file form 19. Amazingly, no right of appeal exists within Customs on such rulings if a company misses the deadline for protesting. D&S would have to spend a lot of money going to court to try to rectify the mistake.

Mr. President, as a result of these mistakes, D&S now owes $25,000 in duties on machines that were supposed to be duty-free. This error by the Customs Service will be remedied by my bill, which instructs Customs to reclassify the machines as duty-free and refund to D&S the duties improperly assessed.

By Mr. INHOFE (for himself, Mr. BURNS and Mrs. KASSEBAUM):

S. 928. A bill to enhance the safety of air travel through a more effective Federal Aviation Administration, and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE FEDERAL AVIATION ADMINISTRATION REFORM ACT OF 1995

Mr. INHOFE. Mr. President, today I will be introducing a major piece of legislation with Senator KASSEBAUM and Senator BURNS.

As a frequent user of the air traffic control system, I have a very real stake in addressing the persistent problems which have plagued the FAA for many years. Former Senator Barry Goldwater accurately described way back in 1975 the current FAA shortcomings when he introduced a bill to reestablish the FAA as an independent agency.

Senator Goldwater noted, and this was back in 1975, 20 years ago:

In 1967, when the then new Department of Transportation was created, the Federal Aviation Agency was terminated and its powers and functions were transferred to and vested in the Secretary of DOT. The previously independent Federal Aviation Agency was in effect converted to a new bureau within the Department of Transportation, named the Federal Aviation Administration. The Administrator of this ''bureau'' reports to and is subject to the control of the Secretary of Transportation.

Barry Goldwater went on to say, 20 years ago:

There is extensive evidence to show that subsequent to this transformation, there has been undue interference on the part of the Department of Transportation in the internal affairs of the Federal Aviation Administration, so much so that the FAA's procurement process has been slowed down to an average time period of 1½ years or more—

I understand it is more than that today, but I am quoting from 20 years ago.

resulting in the cancellation of many procurement projects or unnecessary losses in the millions of dollars to companies involved. It is important to note, too, that aviation users, who pay much of the money which goes into the Airport and Airway Trust Fund, have no effective participation in the development of FAA finance plans so long as it is under the Department.

These words that were stated on the floor of the Senate by Senator Barry Goldwater 20 years ago are just as true today as they were then. Unfortunately, the Senate failed to pass the Goldwater bill. The problems Senator Goldwater identified in 1975 are yet to be resolved.

As a pilot, I have found holding town hall meetings in small towns and airports is an effective way of communicating with people. In doing these on the weekends—virtually every weekend, I do 10 or so—I talk to pilots, I talk to controllers. I do not think there is a controller that I do not know by their first name in Oklahoma.

They all agree that something needs to be done about changing the FAA. Even though Barry Goldwater attempted to do this back 20 years ago, what he said then is true today and we need to do it.

A careful analysis of these proposals that have been made in order to corporatize or privatize shows that they really do not work and there is a lack of understanding.

Mr. President, there has been an effort by the administration to privatize or corporatize the FAA. I think that while I do believe in privatizing, it is not appropriate in this case.

People who use the system oppose the privatization of the FAA. After working with users of the system, I am pleased to announce that we have been able to come up with a workable solution. Along with Senators CONRAD BURNS and NANCY KASSEBAUM, I am introducing legislation to reform the Federal Aviation Administration.

Our bill is similar to a bill introduced in the House by my good friend from Iowa, Representative JIM LIGHTFOOT, and also Representative JOHN DUNCAN. This bill provides dramatic yet realistic reform that will resolve the problems that were identified by Senator Goldwater in 1975 and continue today to plague the FAA.

It will restore the Federal Aviation Administration to an independent agency status. This will ensure that the agency is able to manage and regulate the safety of the air traffic control system without the second-guessing or interference by the politically appointed Department of Transportation officials and staff.

Our approach represents a reform from within Government. It offers a more prudent and realistic approach to the FAA reform than the extremely risky alternative of privatizing or corporatizing the air traffic control system.

As a former mayor of a major metropolitan area, I know something about privatizing. I have been a fan of privatizing for a long time. In fact, I privatized everything I could when I was mayor of the city of Tulsa, OK, many years ago.

One of the systems that has been emulated today by cities all over America was the privatization of the trash system. A refuge or trash system is not a sensitive system like air traffic control.

As a believer in the ability of the private sector to generally do a better job of managing than Government, I believe that there are some inherently governmental functions. Oversight of our air traffic control system is one. The safety implications are too great to allow a management team that has to worry about the bottom line to make these decisions.

Those who use the system and those who use it in commercial aircraft—it does not matter whether you are in an American Airline 747 as a pilot or a passenger, or you are with me in a 20-year-old Piper Aztec. The fact is that your lives are in the hands of these individuals on the ground.

In addition, our proposal provides for appointment of an FAA Administrator with a fixed term of 7 years. The average tenure of the FAA Administrator since I have been in Congress has been less than 2 years. By the time they find their way to the cafeteria, they are out of there. There is no continuity in planning for the FAA. Clearly, we need the continuity of leadership if real changes are to take hold.

This proposal establishes a personnel pilot program which would provide FAA greater latitude managing personnel by giving increased flexibility in measuring performance. The pilot program has been designed to improve performance of individuals and departments, rather than merely rewarding longevity.

Our bill establishes a procurement reform pilot program which will permit the FAA to simplify its procurement procedures by shifting from the rigid procurement rules to allow routine off-the-shelf purchases.

We have example after example of instances where complicated procurement practices have delayed the purchasing of technology and of products that are needed to save lives, until they are no longer current, in terms of their technology.

A good example is the microwave landing system. The MLS system is supposed to replace the ILS system. By the time they got around to implementing this program, the GPS, the global position system, had reached a degree of technology that allows for precision approaches.

The other areas are in the area of costs. I mean, the same thing regarding the GPS system. I happen to be the only Member of Congress in history to fly an airplane around the world. I did it a couple of years ago. In doing this I used a GPS system. Never, all the way around the world, did I lose a satellite. This system is a beautiful system. Yet that system that I used only 2 years ago flying around the world is one-fourth the cost today that it was then.

That means if we and the FAA procure this highly technical machinery, the mechanics to run the system, by the time the system goes through following the procurement practices, that which you have purchased is much cheaper and it would be out of date. So, for cost purposes and technology purposes, this has to happen.

Under our bill, a select panel is created to review and report back to Congress on innovative financing mechanisms for long-term funding of our aviation infrastructure and needs. Panel members will review loan guarantees, financial partnerships with for-profit private sector entities, multiyear appropriations, revolving loan funds, mandatory spending authority, authority to borrow, and restructured grant programs.

Each of these proposals has the support of virtually all of the aviation industry. This bill is strongly supported by the Aircraft Owners and Pilots Association, who have, in just the State of Oklahoma, 4,500 general aviation pilots; and throughout America have 340,000 general aviation pilots. They support this.

In addition, the National Aviation Coalition Association, a consortium of 28 major aviation organizations representing all segments of the aviation community, has indicated that this proposal is a valuable contribution to a healthy debate concerning much needed reform of the FAA.

Mr. President, it is clear that everyone, the administration, Congress, and the aviation community, agrees on the need to reform the FAA. I urge my colleagues to join with Senators BURNS and KASSEBAUM, Representative LIGHTFOOT and Representative DUNCAN from the House, and Senator Goldwater and me in supporting a meaningful reform of the FAA.

By Mr. ABRAHAM (for himself, Mr. DOLE, Mr. FAIRCLOTH, Mr. NICKLES, Mr. GRAMM, and Mr. BROWN):

S. 929. A bill to abolish the Department of Commerce; to the Committee on Governmental Affairs.

THE DEPARTMENT OF COMMERCE DISMANTLING ACT OF 1995

Mr. ABRAHAM. Mr. President, when President Theodore Roosevelt sat down with his Cabinet for a meeting, he needed just nine chairs to accommodate everyone, including the Post-Master General. If he desired an impromptu gathering, he could just walk to the Old Executive Office Building next door. The offices of almost the entire executive branch were located there.

Ninety-four years later, a Cabinet meeting has almost twice as many participants—even without the Postmaster's presence—and includes the Secretaries of 14 Cabinet-level Departments spread all over the District of Columbia. These meetings don't include the heads of hundreds of administrations, commissions, boards, and other Federal agencies below the Cabinet level.

This tremendous growth in the size and scope of the Federal Government has resulted in enormous tax and debt burdens on our economy which, in turn, means lower living standards and fewer job opportunities for the American people. The Federal budget in 1901 consumed just over 2 percent of total national income. Today, it spends almost 25 cents for every dollar we produce. Measured against the size of the economy, the Federal Government is 12 times larger than it was at the turn of the century. In the meantime, a Federal budget that routinely enjoyed surpluses of 10 percent or more during Roosevelt's tenure hasn't seen the black in 25 years.

In restraining the growth of the Federal Government, we need to target those departments and agencies whose activities are unnecessary, duplicative, wasteful, and simply outside the limits of Federal power prescribed by the U.S. Constitution. While this description fits much of the Federal Government, Majority Leader BOB DOLE has set the standard by calling for the elimination of four Cabinet departments—Commerce, Energy, Housing and Urban Development, and Education. These four departments alone employ more than 74,000 bureaucrats and have combined budgets of $70 billion—133 times more than the entire Federal Government spent in Roosevelt's era. While some of the programs within these departments serve useful purposes, we don't need these huge bureaucracies and buildings to oversee them. Instead, these programs ought to be consolidated, privatized, and devolved to the States and localities.

Today, I am joined by Senators DOLE, FAIRCLOTH, NICKLES, GRAMM, and BROWN in introducing legislation to begin that process by abolishing the Department of Commerce. The Department of Commerce Dismantling Act of 1995 is the product of the Dole Task Force on the Elimination of Federal Agencies. It is the first of several bills the task force intends to introduce this Congress targeted at reducing the size of Government. It is the product of extensive work by several Senate offices, as well as the members of the House Freshmen Task Force, and it has been endorsed by the National TaxPayers Union, Citizens For a Sound Economy, the Business Leadership Council, Americans For Tax Reform, and the Small Business Survival Committee.

The Department of Commerce houses the least defensible collection of Federal agencies in Washington, many of which are either duplicated or outperformed by other Government agencies and private industry. According to the General Accounting Office [GAO], Commerce shares its mission with ''at least 71 Federal departments, agencies, and offices'' while former Commerce Secretary Robert Mosbacher recently called the Department ''nothing more than a hall closet where you throw in everything that you don't know what to do with.''

Ironically, regulating interstate commerce isn't one of them. That's handled by the independent Interstate Commerce Commission, itself a target for elimination. Commerce is a bit player in international trade as well. At least 10 Federal agencies are charged with promoting U.S. exports, but only a fraction of the funding is directed to Commerce. The Agriculture Department receives three-fourths.

So what's left for Secretary Ron Brown, 263 political appointees, and the 36,000 bureaucrats who work for Commerce? Over half of the Department's $3.6 billion budget is consumed by the National Oceanic and Atmospheric Administration [NOAA]—the Nation's weather and ocean mapping service. Another $400 million funds the notorious Economic Development Administration [EDA], a traditional source of

pork barrel spending on things like public docks and sewer systems. At one point in its history, 40 percent of the Administration's loans were in default, while economic assistance grants were distributed to such economically troubled areas as Key Biscayne, FL. Even when it is effective, the EDA duplicates the efforts of numerous other programs in other departments.

The Commerce Dismantling Act targets this waste and duplication. It transfers those functions that can be better served elsewhere, consolidates duplicative agencies, and eliminates the remaining unnecessary or wasteful programs. The terminations, transfers and consolidations are to be completed over a 36-month period under the direction of a temporary Commerce Programs Resolution Agency. According to preliminary Congressional Budget Office figures, the bill saves the American taxpayer $7.7 billion over 5 years. Let me quickly go through the bill.

While the activities of NOAA are only tangentially related to the promotion of commerce, it makes up over half of the Department of Commerce budget. The individual functions of this agency would be sent to more appropriate agencies or departments.

First, the enforcement functions of the National Marine Fisheries Service are transferred to the Coast Guard, while the scientific functions are transferred to the Fish and Wildlife Service. Seafood inspection is transferred to the Department of Agriculture, which already carries out most food inspection programs. The State fishery grants and commercial fisheries promotion activities are terminated.

Second, the geodesy functions of the National Ocean Service are transferred to the U.S. Geological Survey while coastal and water pollution research duplicated by the Environmental Protection Agency is terminated. Marine and estuarine sanctuary management would be transferred to the Interior Department, which already manages some fisheries. Nautical and aeronautical charting is privatized, as the private sector undertakes this activity already.

Third, the National Environmental Satellite, Data and Information Service's weather satellite of this agency are transferred to the National Weather Service to consolidate these functions which, in turn, is transferred to the Interior Department. The NESDIS data centers would be privatized.

Fourth, because many of its activities are duplicative of other Federal agencies or could be better served by the private sector, this office is terminated. The labs which could operate in the private sector will be sold and the remaining labs will be transferred to the Interior Department.

Finally, the NOAA Corps is terminated and its vessels sold to the private sector. Services can be obtained in the private sector and its fleet is in disrepair.

Another significant part of the Department of Commerce, the Economic Development Administration, is terminated under this legislation. The EDA provides grants and assistance to loosely defined ''economically depressed'' regions. EDA's functions are duplicated by numerous other Federal agencies including the Departments of Agriculture, HUD, and Interior, the Small Business Administration, the Tennessee Valley Authority and the Appalachian Regional Commission. The parochial nature of the program often targets EDA grants to locations with healthy economies which do not need Federal assistance. This bill terminates the EDA, transferring outstanding obligations to the Treasury Department for management or sale.

Although the Minority Business Development Administration has spent hundreds of millions on management assistance—not capital assistance—since 1971, the program has never been formally authorized by Congress. The MBDA's stated mission, to help minority-owned businesses get Government contracts, is duplicated by such agencies and programs as the Small Business Administration and its failed 8(a) loan program, and Small Business Development Centers, along with the private sector. The MBDA is terminated and its 98 field offices closed.

The U.S. Travel and Tourism Administration seeks to promote travel and tourism in the United States through trade fairs and other promotional activities. According to the Heritage Foundation, ''the agency often works with private sector organizations, including the Travel Industry Association of America, to organize events such as the 'Discover America Pow Wow' or the 'Pow Wow Europe.' There is no justification for Federal involvement in such promotional activities of a commercial nature.'' Because functions such as these are already extensively addressed by States, localities, public sector organizations, and the private sector, the USTTA is immediately terminated.

The Technology Administration currently works with industry to promote the use and development of new technology. Because Government in general, and the Federal Government in particular, is poorly equipped to pick winners and losers in the marketplace—frequently allowing political criteria rather than market criteria determine the choice—this agency is terminated, including the Office of Technology Policy, Technology Commercialization, and Technology Evaluation and Assessment.

The Industrial Technology Service programs, including the Advanced Technology Program [ATP] and the Manufacturing Extension Partnerships, are terminated; these programs are often cited as prime examples of corporate welfare, wherein the Federal Government invests in applied research programs which should be conducted in the private sector.

The weights and measures functions of the National Institute for Standards and Technology would be transferred to the National Science Foundation. The National Technical Information Service, a clearinghouse for technical Government information, would be privatized.

The National Telecommunications and Information Administration, an advisory body on national telecommunications policy, would be terminated, including its grant programs. Federal spectrum management functions would be transferred to the Federal Communications Commission.

Providing for patents and trademarks is a constitutionally-mandated Government function. Our proposal would transfer this office to the Justice Department, requiring the PTO to be supported completely through fee collection.

The Bureau of the Census, another constitutionally-mandated function, is transferred to the Treasury Department. Select General Accounting Office recommendations for savings at the Bureau would be implemented. The Bureau of Economic Analysis is transferred to the Federal Reserve System to ensure the integrity of data. The superfluous ESA bureaucracy would be eliminated.

The Bureau of Export Administration is one of several agencies responsible for monitoring U.S. exports that may compromise national security. Because this function remains important to the country, this legislation would reassign these functions as follows.

The determination of export controls is transferred to the Department of Defense. The United States Trade Representative would advise the Defense Department in disputed cases. The Customs Service, which already has the staff, expertise, and facilities, would enforce the export licensing determined by the DOD.

While the Department of Commerce claims to be the lead in trade promotion, it actually plays a small part. Five percent of Commerce's budget is dedicated to trade promotion, and it comprises only 8 percent of total Federal spending on trade promotion. The International Trade Administration is the primary trade agency within the Department of Commerce. This bill makes the following changes.

The Import Administration is transferred to the Office of the United States Trade Representative. The USTR, which already plays a role in this area, would make determinations of unfair trade practices.

The U.S. and Foreign Commercial Service is transferred to the Office of the U.S. Trade Representative. The domestic component of USFCS is terminated, and the foreign component would be transferred to the Office of the U.S. Trade Representative, which already takes the lead in trade policy.

The International Economic Policy is also terminated and these functions would continue to be carried out by the USTR.

Finally, the Trade Development functions are terminated and replaced with

a series of industry advisory boards, composed of representatives from the private sector to provide advice to policy makers, at no cost to the Federal Government.

Mr. President, the philosophy behind the Dole Task Force, and the underlying objectives of this bill, are based upon the same fundamental principles of limited and efficient government that the electorate overwhelmingly supported last November. It is a reasonable approach to restore some much needed fiscal sanity to our Federal Government; making it smaller, less costly, yet more efficient.

The new Republican Congress is committed to balancing the budget by the year 2002. While this commitment means we must do the heavy lifting of reducing the growth of Government, it also presents us an opportunity to establish a proper balance between States and the Federal Government that protects the vigor and diversity of our States and local communities. Only by recognizing the limits of the Federal Government can we restore the vitality that breeds character, innovation, and a sense of community.

This bill represents the first step in the process of achieving that goal. It conforms with both the Senate and House-passed budgets and it has the support of leadership in both House and the Senate. I encourage my colleagues to support it as well.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

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

NATIONAL TAXPAYERS UNION,
June 14, 1995.

HON. SPENCER ABRAHAM,
U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR ABRAHAM: National Taxpayers Union is pleased to endorse the ''Commerce Department Dismantling Act of 1995,'' as proposed by you and Congressman Dick Chrysler. Your excellent proposal will streamline the federal government and provide significant savings for America's taxpayers.

The terminations, transfers and consolidations provided in your proposed legislation would be completed over a thirty-six month period. The ''Abraham/Chrysler Act'' would save $7.765 billion over five years.

The General Accounting Office has reported that the Commerce Department ''faces the most complex web of divided authorities,'' sharing its ''missions with at least 71 federal departments, agencies, and offices.'' Your bill will finally end this wasteful duplication.

Again, NTU is pleased to endorse the ''Abraham/Chrysler Commerce Department Dismantling Act of 1995.'' We urge your colleagues to join you in this effort.

Sincerely,

DAVID KEATING,
Executive Vice President.

BUSINESS LEADERSHIP COUNCIL,
Washington, DC, June 9, 1995.

HON. SPENCER ABRAHAM,
U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR ABRAHAM: The Business Leadership Council, a newly-formed business association of entrepreneurial business leaders who are committed to working to limit the size of government and to expand global economic growth, strongly endorses the Abraham-Chrysler Commerce Department Dismantling Act of 1995.

BLC represents businesses of all types and sizes who want what is best for America, rather than a perk or subsidy that may be best in the narrow, short-term, self-interest of their individual business. Its members are willing to take bold, principled positions and are not afraid to confront the status quo. They recognize that, although some of their businesses may benefit from particular Commerce Department programs, it is clear America is better off saving the money, reducing subsidies, and eliminating unnecessary regulations.

For that reason, we enthusiastically support the dismantling of corporate welfare, whose voice in the cabinet has been the Commerce Department. The old established business groups fear the wrath of their members who enjoy corporate pork and therefore will not take a stand on this controversial issue. BLC, on the other hand, applauds your efforts to abolish unnecessary, duplicative, wasteful programs and save the taxpayers $7.8 billion over the next five years. In these times, when Congress is endeavoring to balance the budget and reduce the size and scope of the federal government, the business community must do its part.

Sincerely,

THOMAS L. PHILLIPS,
Chairman of the Board of Governors.

AMERICANS FOR TAX REFORM,
Washington, DC, June 14, 1995.

Hon. SPENCER ABRAHAM,
U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR ABRAHAM: Americans for Tax Reform, a 60,000 member coalition of individuals, taxpayer groups and businesses concerned with federal tax policy and spending reduction, enthusiastically endorses the Abraham-Chrysler Commerce Department Dismantling Act of 1995.

The Commerce Department is a classic example of wasteful government spending run amok. Its own Inspector General referred to it as ''a loose collection of more than 100 programs.'' If we are ever to balance the budget, rein in federal spending and allow Americans to keep more of their hard-earned dollars, unnecessary departments must be eliminated. The Commerce Department is such a department.

We are impressed by the four principles used in drafting the legislation: terminating unnecessary or wasteful programs, consolidating programs duplicated by other departments or agencies, transferring programs that serve a valid purpose to other agencies, and privatizing programs better performed outside the government. If all federal agencies were scrutinized in this fashion, we would be well on our way toward the smaller and more efficient government that Americans are demanding. Indeed, your legislation alone would allow budget savings of almost $7.8 billion over five years, according to estimates by the Congressional Budget Office. That's $7.8 billion more for hard-working Americans to keep for themselves.

Certainly there will be howls of outrage from special interests which gain some advantage from a pet program. But for too long, Washington has ignored the concerns of the most important national interest: the American taxpayer. That era has come to an end. Americans have signalled that they have had enough of endless government taxing and spending. The Commerce Department Dismantling Act of 1995 begins the scaling back of the overgrown federal government. Americans for Tax Reform fully supports this important legislation.

Sincerely,

GROVER G. NORQUIST,
President.

SMALL BUSINESS SURVIVAL COMMITTEE,
Washington, DC., June 7, 1995.

Hon. SPENCER ABRAHAM,
U.S. Senate, Washington, DC.

DEAR SENATOR ABRAHAM: Every so often, a piece of legislation crosses my desk that the Small Business Survival Committee (SBSC) can support without any reservations. ''The Commerce Department Dismantling Act of 1995'' is such a legislative act.

First, let me compliment you on your four straightforward principles for evaluating the Commerce Department. They should serve as a guide for reviewing every federal government department:

Terminating unnecessary and wasteful programs;

Consolidating programs duplicative of other departments or agencies;

Transferring valid programs to more appropriate agencies; and

Privatizing programs which can be better performed in the private sector.

Federal government spending has been out of control for decades. The Commerce Department, with its myriad unnecessary and duplicative programs, serves as one of the most glaring examples of wasting taxpayer dollars. The elimination of the Department of Commerce will send a loud and clear message to the American people—business-as-usual, big-government politics is finished. Indeed, eliminating the Commerce Department would be an historic step toward bringing some sanity back to the federal government, while saving U.S. taxpayers an estimated $7.8 billion over five years.

''The Commerce Department Dismantling Act of 1995'' offers a sound plan for eliminating programs within the Commerce Department that government should not be undertaking in the first place (e.g., the United States Travel & Tourism Administration); for moving programs to more appropriate areas of the federal government (e.g., the Bureau of the Census and the Bureau of Economic Analysis); or for privatizing programs (e.g., the National Technical Information Service).

Naturally, every federal department or program has a vocal special interest attached to it. The Commerce Department is no different. Indeed, a small part of the business community likely will oppose the termination of the Commerce Department. Please rest assured that any business voices raised in support of the Commerce Department will be a very small minority. America's entrepreneurs have little use, if any, for the U.S. Department of Commerce.

The best agenda for entrepreneurs, business and the economy is clear: deregulation, tax reduction, and smaller government. Eliminating the Department of Commerce has the full support of SBSC and our more than 40,000 small business members. The time has come to rein in federal government spending, and the Department of Commerce is a fine place to start.

Sincerely,

KAREN KERRIGAN,
President.

S. 929

Mr. GRAMM. Mr. President, I am proud to be an original cosponsor of the Commerce Department Dismantling Act of 1995. I want to compliment Senator ABRAHAM and Senator

FAIRCLOTH for their hard work in producing this legislation, and I look forward to working with them as this legislation is considered in committee and the Senate. The Commerce Department is the only Cabinet-level agency terminated in the Senate budget resolution, and it is important that we keep our promise to the American people to put the Federal Government on a budget, say no to more Federal spending, and allow American families to keep more of what they earn.

Mr. President, I do have concerns about some specific transfers of Commerce authority to other Departments and feel that, with further study, we can find a more appropriate destination for those functions that are retained. Nevertheless, I am strongly supportive of our effort to eliminate the Commerce Department, and will work with my colleagues to strengthen the bill we are introducing today.

By Mr. PRESSLER (for himself, Mr. DASCHLE, Mr. GRASSLEY, Mr. HARKIN, and Mr. WELLSTONE):

S. 931. A bill to authorize the construction of the Lewis and Clark Rural Water System and to authorize assistance to the Lewis and Clark Rural Water System, Inc., a nonprofit corporation, for the planning and construction of the water supply system, and for other purposes; to the Committee on Energy and Natural Resources.

THE LEWIS AND CLARK RURAL WATER SYSTEM ACT OF 1995

Mr. PRESSLER. Mr. President, today I am introducing legislation that authorizes construction of the Lewis and Clark Rural Water System. This system, when complete, will provide much needed, safe drinking water for hundreds of communities in southeastern South Dakota, northwestern Iowa, and southwestern Minnesota.

Joining me in introducing this legislation are Senators DASCHLE, GRASSLEY, HARKIN, and WELLSTONE.

Mr. President, this is the second year I have introduced legislation to authorize this water project. I am proud of the citizens of South Dakota who have worked extremely hard on this project. They are to be commended. Nothing is more important to the health of the South Dakota ranchers, farmers, and people living in towns and cities than the availability of safe drinking water. The bill I am introducing today will achieve that goal.

Since first coming to Congress, I have continually fought for the development of South Dakota water projects. In return for the sacrifices South Dakota made for the construction of the dams and reservoirs along the Missouri River, the Federal Government made a commitment to South Dakota. That commitment was to support water development in my State. This water project, in part, helps to meet that commitment.

In this day of fiscal austerity, only projects of the greatest public benefit can be brought forward. The Lewis and Clark Rural Water System is the only feasible means of ensuring that future supplies of good quality water will be available well into the next century. The Lewis and Clark Rural Water System will provide a supplemental supply of drinking water that is expected to serve over 180,500 people.

Mr. President, water development is a health issue, economic development issue, and a rural development issue. The ability of rural America to survive and grow is intrinsically related to its ability to provide adequate supplies of safe drinking water. Without a reliable supply of water, these areas cannot attract new businesses and cannot create jobs. The creation of jobs is a paramount issue to a rural State such as South Dakota. The Lewis and Clark Rural Water System will help assure job growth in the areas to be served.

It is extremely difficult for rural communities and residents to maintain a healthy standard of living if they do not have access to good quality drinking water.

I urge my colleagues to take a close look at this legislation. We would greatly appreciate their support for it.

Mr. DASCHLE. Mr. President, I join my colleague, Senator PRESSLER, in introducing legislation to authorize the Lewis and Clark Rural Water System. The Lewis and Clark Rural Water System is seeking authorization for the construction of a rural water system to provide clean water to southeastern South Dakota, northwest Iowa, and southwest Minnesota.

The need for this project is clear. In Sioux Falls, and in the rural counties that rely on Sioux Falls as a center of economic growth, we are now face-to-face with water shortages. Population growth is outstripping existing supplies of clean water.

Despite heroic efforts by the city of Sioux Falls to conserve water, supplies are not keeping up with demand. Sioux Falls has imposed water restrictions every year since 1987. Water rights for the Big Sioux aquifer, which supplies water to Sioux Falls, have been committed. Therefore, Sioux Falls has been forced to explore other long-term options. Similar problems exist in the nearby rural counties in southeastern South Dakota, Iowa and Minnesota, areas where water use restrictions are not uncommon. Unless the water supply problem is resolved, it could affect the long-term growth and development of the city.

Not only are there shortages of water, but much of the water that currently supplies the area is contaminated with high levels of iron, manganese, sulfate, and total dissolved solids. In many cases, drinking water is at or above EPA limits, leading to concern over public health in those areas.

There is a solution; the people of this region can tap the enormous resources of the Missouri River to provide long-term public health and economic development benefits. But they cannot do this alone. It will require a partnership between local, State, and Federal governments.

With the Missouri River carrying billions of gallons of water by this area each year, I am reminded of the ironic line ''water, water everywhere, but not a drop to drink.'' With the construction of the Lewis and Clark system to convey Missouri River water to the people of this region, that irony will cease. Impacts of this project on the flow of the Missouri River will be negligible. Nearly all the water would be returned to the Missouri River via the James, Vermillion, Big Sioux, Little Sioux, Rock, and Floyd Rivers.

In conclusion, there is a strong need for this project throughout the three-State area. The water supply shortages, the poor water quality, and the need to allow this region to grow economically, all demand that a solution be found that allows the people of this region access to clean, safe drinking water. The Lewis and Clark project is a sensible and timely answer to those needs. I encourage my colleagues to lend their support to this project in hopes that Congress will authorize its construction in the near future.

By Mr. JEFFORDS (for himself, Mr. KENNEDY, Mr. CHAFEE, Mr. AKAKA, Mr. BINGAMAN, Mrs. BOXER, Mr. BRADLEY, Mr. DODD, Mr. FEINGOLD, Mrs. FEINSTEIN, Mr. GLENN, Mr. HARKIN, Mr. INOUYE, Mr. KERREY, Mr. KERRY, Mr. KOHL, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEVIN, Mr. LIEBERMAN, Ms. MIKULSKI, Ms. MOSELEY-BRAUN, Mr. MOYNIHAN, Mrs. MURRAY, Mr. PACKWOOD, Mr. PELL, Mr. ROBB, Mr. SARBANES, Mr. SIMON, and Mr. WELLSTONE):

S. 932. A bill to prohibit employment discrimination on the basis of sexual orientation; to the Committee on Labor and Human Resources.

THE EMPLOYMENT NON-DISCRIMINATION ACT OF 1995

Mr. JEFFORDS. Mr. President, today I am pleased to introduce the Employment Non-Discrimination Act of 1995. I am joined in doing so by nearly one-third of the Members of the Senate.

In my view, Mr. President, this bill is perhaps the most important civil rights legislation to come before Congress this year. I am honored to be a principal sponsor of the legislation in the Senate.

The legislation extends to sexual orientation the same federal employment discrimination protections established for race, religion, gender, national origin, age, and disability. The time has come to extend this type of protection to the only group—millions of Americans—still subjected to legal discrimination on the job.

The principles of equality and opportunity must apply to all Americans.

Success at work should be directly related to one's ability to do the job, period. People who work hard and perform well should not be kept from leading productive and responsible lives—from paying their taxes, meeting their mortgage payments and otherwise contributing to the economic life of the nation—because of irrational, non-work-related prejudice.

Mr. President: As a 61-year-old white male who grew up in a rural area, I fully understand how one could feel prejudice. I was not immune to it myself. However, through education and understanding, we must overcome such prejudice, as individuals and as a nation.

When this issue has been raised in the states, the debate has often turned on the phrase ''special rights.'' This bill does not create any ''special rights.'' Rather, it simply protects a right that should belong to every American, the right to be free from discrimination at work because of personal characteristics unrelated to successful performance on the job.

I'm proud to say that my home state of Vermont is one of several states that have enacted sexual orientation discrimination laws. It is no surprise, Mr. President, that the sky has not fallen. I am not aware of a single complaint from Vermont employers about the enforcement of the state law. However, I do know that thousands of Vermonters no longer need to live and work in the shadows.

My little state of Vermont was the first to abolish slavery, the first to answer Lincoln's call to arms, and the only state I know of with the audacity to declare war on Germany before Pearl Harbor. Once again, I think it is time for the federal government to follow the lead of Vermont, and the other states and cities across the country that have declared war on this, the final front of discrimination. The bill we introduce today takes important steps in that direction. I look forward to the day when we can see it signed into law.

Mr. President, I ask unanimous consent that a summary of the bill be printed in the RECORD.

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

SUMMARY—EMPLOYMENT NON-DISCRIMINATION ACT OF 1995

The Employment Non-Discrimination Act of 1995 (ENDA) extends federal employment discrimination protections currently provided based on race, religion, gender, national origin, age and disability to sexual orientation. Thus, ENDA will ensure fair employment practices—not special rights—for lesbians, gay men and bisexuals.

ENDA prohibits employers, employment agencies, and labor unions from using an individual's sexual orientation as the basis for employment decisions, such as hiring, firing, promotion, or compensation.

Under ENDA, covered entities cannot subject an individual to different standards or treatment based on that individual's sexual orientation, or discriminate against an individual based on the sexual orientation of those with whom the individual associates.

The ''disparate impact'' claim available under Title VII of the Civil Rights Act of 1964 (Title VII) is not available under ENDA. Therefore, an employer is not required to justify a neutral practice that may have a statistically disparate impact based on sexual orientation.

ENDA exempts small businesses, as do existing civil rights statutes, and does not apply to employers with fewer than fifteen employees.

ENDA exempts religious organizations, including educational institutions substantially controlled or supported by religious organizations.

ENDA prohibits preferential treatment, including quotas, based on sexual orientation.

ENDA does not require an employer to provide benefits for the same-sex partner of an employee.

ENDA does not apply to the uniformed members of the armed forces and thus does not affect the current law on lesbians and gay men in the military.

ENDA provides for the same remedies (injunctive relief and damages) as are permitted under Title VII and the Americans with Disabilities Act (ADA).

ENDA applies to Congress, with the same remedies as provided by the Congressional Accountability Act of 1995.

ENDA is not retroactive.

Mr. KENNEDY. Mr. President, from the beginning, civil rights has been the great unfinished business of America—and it still is. In the past thirty years, this nation has made significant progress in removing the burden of bigotry from our land. This ongoing bipartisan peaceful revolution of civil rights is one of the great hallmarks of our democracy and an enduring tribute to the remarkable resilience of the nation's founding principles.

Federal law now rightly prohibits job discrimination on the basis of race, gender, religion, national origin, age, and disability. Establishing these essential protections was not easy or quick. But they have stood the test of time—and they have made us a better and a stronger nation.

Today, we seek to take the next step on this journey of justice by banning discrimination based on sexual orientation.

The Employment Non-Discrimination Act is a significant step in that direction. The Act parallels the protections against job discrimination already provided under Title VII of the Civil Rights Act. It prohibits the discriminatory use an individual's sexual orientation as the basis for decisions on hiring, firing, promotion, or compensation. This kind of prohibition on job discrimination is well-established in the civil rights laws and can be easily applied to sexual orientation.

Our bill is not about granting special rights—it is about righting senseless wrongs. Its goal—plain and simple—is to eliminate job discrimination against fellow Americans. It does not allow for disparate impact claims, it prohibits quotas, it does not require domestic partners benefits, and it does not apply to the armed forces.

What it does require is basic fairness for gay men and lesbians, who deserve to be judged in their job settings—like all other Americans—by their ability to do the work.

Today, job discrimination on the basis of sexual orientation is too often a fact of life. From corporate suites to plant floors, qualified employees live in fear of losing their livelihood for reasons that have nothing to do with their skills or their job performance. Yet in 42 states a person can be fired—just for being gay.

This bill is not about statistics. It is about real Americans whose lives are being shattered and whose potential is being wasted. They are American heroes who paid dearly for being true to themselves as they pursued their professions. They performed well and were rewarded by being fired or brutally beaten. For them, ability didn't count—bigotry did.

That kind of vicious discrimination happens every day, in communities across America. The price of this prejudice, in both human and economic terms, is unacceptable. It is time for Congress to take a stand against it.

Job discrimination is not only un-American—it is counterproductive. It excludes qualified individuals, lowers workforce productivity, and hurts us all. For the nation to compete effectively in a global economy, we have to use all our available talent, and create a workplace environment where everyone can excel.

This view is shared by many leaders in labor and management. They understand that ending discrimination based on sexual orientation is good for workers, good for business, good for the economy, and good for the country.

In the absence of federal action, many state and local governments have acted responsibly to prohibit job discrimination based on sexual orientation. Over a hundred mayors and governors, Republicans and Democrats, have signed laws and issued orders protecting gay and lesbian employees. It is time for the federal government to make this protection nationwide.

We know we cannot change attitudes overnight. But the great lesson of American history is that changes in the law are an essential step in breaking down barriers of bigotry, exposing prejudice for what it is, and building a strong and fair nation.

I am honored to join my colleagues in introducing the Employment Non-Discrimination Act of 1995. This bipartisan legislation has the support of a broad bipartisan coalition that includes Coretta Scott King and Barry Goldwater—the conscience of civil rights and the conscience of conservatives.

Today's action brings us one step closer to the ideals of liberty. Our case is strong, our cause is just, and we intend to prevail.

I urge the Senate to support this essential effort.

By Mr. SIMON:

S. 933. A bill to amend the Public Health Service Act to ensure that affordable, comprehensive, high quality health care coverage is available

through the establishment of State-based programs for children and for all uninsured pregnant women, and to facilitate access to health services, strengthen public health functions, enhance health-related research, and support other activities that improve the health of mothers and children, and for other purposes; to the Committee on Labor and Human Resources.

HEALTHY MOTHERS, HEALTHY CHILDREN ACT OF 1995

Mr. SIMON. Mr. President, we have a serious problem in health care. We have almost 41 million now who do not have health care coverage.

As the Presiding Officer knows, because he has now been designated to lead the effort for the Republican Party, and he and I last year had some discussions about what kind of a practical compromise could be made.

This is a compromise. I would love to have universal coverage for everyone. This is a practical compromise that says ''Let's protect pregnant women and children 6 and under.'' It provides affordable, comprehensive, quality private health care coverage for these groups.

The health of America's mothers and children is simply unacceptable. The U.S. is No. 1 in wealth; we are 22d in infant mortality; we are 18th in maternal mortality.

Mr. President, 24 percent of the children of our country live in poverty. No other Western industrialized nation has anything like these figures. Many developing countries have much more coverage in terms of immunization.

Mongolia is a country I have had a chance to visit. Very few Americans visit Mongolia. It is really remote. Talk about developing nations that have problems, and yet they have a higher percentage of their children immunized than we do.

Mr. President, 22 percent of pregnant women do not have prenatal care in the first trimester. Uninsured children of the United States today, 11.1 million, or 1 out of 6, and it is getting worse.

What is going to happen, whether the Clinton bill passes in terms of the budget or the Republican budget passes—and obviously it is more likely to be the Republican budget—what if the distinguished junior Senator from Utah were a hospital administrator and the amount you get for coverage for Medicare and Medicaid goes down, what happens is you shift the burden to the nonMedicaid/nonMedicare patient and health insurance premiums go up? As health insurance premiums go up, the percentage of employers providing insurance will go down.

The estimate is the year 2002, somewhere between 17 million and 20 million children will not be covered.

Incidentally, I would love to have a bill that covers all children, covers 18 and under. But I know, realistically, that does not have a chance of passage.

But if we were to say let us at least cover pregnant women and children 6 and under, of the 1.1 million net increase in uninsured persons from 1992 to 1993, 84 percent, 922,000, were children. That is the increase for children. That is the increase for adults. Obviously, we are talking about the future of our Nation when we talk about the children.

Guiding principles of this act, the Healthy Mothers, Healthy Children Act? Coverage is independent of family income, employment, or health status. Everyone can get insurance.

This is a single-tier health care system for everyone.

Coverage is affordable for all families. We have some flexibility here. Health services are comprehensive. And we ensure quality.

Eligibility? All children under the age of 7 and pregnant women; replaces Medicaid for those groups. The States save money and the Federal Government would save money. And it calls for a report on possible future expansion.

Enrollment? There would be a national open enrollment month; plus, if you go to the hospital, if you go to a physician, if you are not enrolled, you can enroll at that point. It is administratively simple. Plans must accept any eligible person, no preexisting conditions. And within the State, you would have competition among the insurers so we keep the rates down.

Cost sharing is part of it. Our friends in Canada say they made a great mistake in not having all people contribute something. There is overutilization of the system when you do not have everyone contributing something. So we have all families contributing. Families receive premium subsidies ranging from 99 percent to 5 percent, depending on income. And there is a cap because even a family of upper income, if you have a devastating kind of an illness—we just heard Senator CHAFEE talk about someone who had a $3 million medical bill.

State flexibility and accountability—States and plans are given maximum flexibility; States develop and administer the program; States and Federal Government and health plans are accountable for meeting certain objectives.

There is a matching rate. The Federal matching rate is more generous than Medicaid. The national average would be 80 percent. That means very substantial savings for Illinois, for Utah, and for the other States. The maximum matching rate would be 90 percent.

Comprehensive health care services, and there are some limits here, let me just say, because—which I will outline in a minute. Preventive health, ambulatory care, laboratory services, prescription drugs, hospital, and in-home services, mental health services, dental and vision care—this is an example where there are limitations. We do not cover orthodontia services. We do not cover cosmetic surgery. There are obviously limitations that have to be here.

Long-term health care for children with disabilities and chronic health conditions, durable medical equipment, allied health services. Here is the way it would work. A family of four at 250 percent of poverty, that is $37,000 with one child under 7, the mother is pregnant, the father works in a small business, with no dependent health care coverage, they would have the option to enroll into this plan. They would receive comprehensive coverage for the mother and the child—not for the father, not for any children over the age of 6. With their income, they would receive a 40 percent premium subsidy. In other words, they would have to pay 60 percent of the costs and they would pay a maximum, during the course of the year, of $1,830 per year. Then, if their costs exceed that $1,830, the Federal Government would pay.

Here is a lower-income family, a family of four at 100 percent of poverty, $15,000 with two children under 7, a single parent who works part time and is covered by Medicaid. Both children are automatically enrolled. Everyone who is on Medicaid is automatically enrolled into the Healthy Mothers, Healthy Children Act. The parent remains in Medicaid also, but we do not cover that parent. The Medicaid Program continues as is for that parent. They would have a choice of provider, get quality services, and coordination of care improves. They would receive a 90-percent subsidy. In other words, if they have a problem, they would have to pay 10 percent, even a poor family. So we do not have overutilization. But they would pay a maximum of $80 per year. For a family that is on the poverty level or below, that is still a sizable amount of money but it is a restraining factor. But then the Federal Government picks the tab up after that.

An upper-income family, a family of four, at 500 percent of poverty, $75,000, with two children under 7, one parent works for a large company and has a health plan through the employer but no coverage for preexisting conditions. They have the option of staying with the company plan or enrolling in this plan. They receive complete coverage, including preexisting conditions. They receive only a 5 percent premium subsidy. They would have to pay 95 percent. Obviously, at $75,000 a year, they can afford that.

But they can pay a maximum of $6,000 per child for a year. So if you have a child who is a diabetic, who has a serious problem—if you have the kind of problem that Senator CHAFEE just mentioned, with somebody who had a $3 million expenditure—that would be covered.

Financing sources? Medicaid funds, that we have right now. Here is the tough one. We increase the tax on a package of cigarettes by $1.50. There is no question that is going to be tough. Some of our colleagues are going to resist it strongly. I add, even if we were not providing any benefits for anybody,

we would have a healthier America if we increase the tax on cigarettes $1.50 per pack. Young people, particularly, like these pages—if I may pick on them here—they are very price sensitive. That really would make a difference.

The State has to match. They will not have to match as much as they have been. The States would save some money; some employers would save some money. The family has to contribute. I think that is proper. There would be savings from elimination and reduction of duplicative programs.

In controlling costs, they are controlled by market competition. They have to bid within the State. Premium subsidies are based on the lowest-priced plan. Obviously, quality has to be there. The funding increases to States limited to the national rate of inflation.

If, for example, in Utah you have a plan and it increases the cost 20 percent while the national average is 5 percent, we say to Utah: Sorry, you can only have a 5-percent increase. So there is that limitation.

Specific options for reducing program costs to ensure financial integrity of the program.

Then, finally, a quote from this radical by the name of Herbert Hoover. Herbert Hoover said:

> The greatness of any nation, its freedom from poverty and crime, its aspirations and ideals are the direct quotient of the care of its children.
>
> There should be no child in America that is not born and does not live under sound conditions of health.

That is not the case today. We ought to make Herbert Hoover's dream for America a reality.

So I have this bill. I think it is appropriate that the two Members on the Republican side who are here right now are Senator BENNETT and Senator CHAFEE. Senator CHAFEE provided excellent leadership last session. We were not able to put the package together. Senator BENNETT now has that mantle on the Republican side.

We ought to do something. My proposal is let us provide coverage for pregnant women and children 6 and under. That would be a great initial step for the future of our country, and would protect 11 million children in our country today. I hope we take a look at this. At some point, whether the Finance Committee approves this idea or not, I am going to offer it as an amendment on the floor so we get a vote on it.

My instinct is you have to be pretty hardhearted to vote against coverage for pregnant women and children 6 and under. I think this might be politically acceptable. I certainly know the American people would favor it.

So I am introducing this bill today. I hope we will consider it. I commend it to my colleagues who have done more work in the health care field on the other side of the aisle than any others—Senator CHAFEE and Senator BENNETT.

The purpose of this act is to ensure that affordable, comprehensive, high quality private health care coverage is available through State-based programs for all children, initially for those under seven, and for all uninsured pregnant women.

Mr. President, friends, yesterday was Flag Day. A day for all Americans to reflect upon our country, where we've been and where we are heading. When I think about the future of this country, I realize that the future is already here—in our children. What should be our national direction? Let me share with you my vision for our children. I suggest that we move towards a society where every child at least has adequate health care, receives a good education, lives in a caring family, and grows up in a safe community.

THE POOR HEALTH OF AMERICA'S MOTHERS AND CHILDREN

How are we doing in fulfilling that vision? My friends, I have to tell you that we as a country are failing to properly care for our children. We are the wealthiest Nation in the world. But if our wealth was measured by the health status of mothers and children, we fall well behind the other major industrialized nations. Despite the highest per capita spending on health care of any country, we currently rank 22d in infant mortality and 18th in maternal mortality. Approximately 24 percent of all our children live in poverty. Many developing countries including Albania, Malawi, Mongolia, and Turkmenistan, have higher childhood immunization rates than we do. In addition, approximately 22 percent of mothers did not receive prenatal care in the first trimester. We can do better.

LACK OF HEALTH INSURANCE AMONG CHILDREN AND PREGNANT WOMEN IS INCREASING

What about health care coverage? Unfortunately, the lack of insurance among children and pregnant women is unacceptable and is getting worse. A recent report by the Employee Benefit Research Institute shows that between 1992 and 1993, the number of uninsured people increased by 1.1 million or 17.8 percent to 40.9 million. The most alarming finding is that children accounted for the largest proportion of the net increase in the number of the uninsured: Of the 1.1 million net increase between 1992 and 1993, 922,500 or 84 percent, were children under 18.

In 1993, 11.1 million or one of every six children did not have health insurance or publicly-financed health care, up from 10.2 million or 15 percent in 1992. Despite recent expansions in Medicaid, 22 percent of all poor children were uninsured, and approximately 500,000 pregnant women did not have health insurance in 1992.

In addition, if this Congress significantly reduces the Medicaid budget as proposed under the current Senate and House budget resolutions, it is estimated that between five and seven million children in addition to the 12.6 million children already projected to be uninsured under the current health care system, will not have health coverage by the year 2002.

It is important to note that lack of health insurance is not solely a problem of poverty. A large proportion of children in middle class families are uninsured. For example, among children in families with incomes between 100 and 199 percent of poverty, 25 percent are uninsured. And among children in families with incomes between 200 and 399 percent of poverty, 12 percent lack insurance.

My friends, we can do better. We must do better.

INVESTING IN THE HEALTH OF MOTHERS AND CHILDREN

Given the state of the Federal deficit, some of you may question whether the Government should be expanding health coverage for children. You may ask, ''Is this a proper role for government?''

I think the words of Abraham Lincoln are helpful. He said: ''The legitimate object of government, is to do for a community of people, whatever they need to have done, but cannot do, at all, or cannot, so well do, for themselves—in their separate, and individual capacities.'' Children do not have the capacity to ensure their health. Yes, families have primary responsibility for ensuring that their children receive medically necessary care. The Government's role is to ensure that health coverage is accessible and affordable for all. It is clear that the private sector has been unable to accomplish this goal.

There are more reasons why we should invest in our children's health. Investing in health services for children substantially increases their potential to be productive members of society and averts more serious or more expensive conditions later in life. Similarly, ensuring that all pregnant women receive adequate prenatal care is cost saving to society. Ensuring coverage for children is also relatively inexpensive: In 1993, the Medicaid program spent an average of $1,012 per child compared to $8,220 per elderly adult.

Therefore, if the question to me is ''Can we afford to invest in the health of our children?,'' I reply by asking you, ''How can we afford not to?''

GUIDING PRINCIPLES FOR THE HEALTHY MOTHERS, HEALTHY CHILDREN ACT

In developing the Healthy Mothers, Healthy Children Act, I considered 10 fundamental guiding principles that I believe should be the basis for any national health care program for children and pregnant women. They are:

First, coverage is independent of family income, employment, or health status;

Second, there is a single-tier health care system;

Third, coverage is affordable for all families;

Fourth, health services are comprehensive;

Fifth, ensuring quality is a primary goal;

Sixth, everyone shares responsibility for mothers and children;

Seventh, health, not just health care, is emphasized;

Eighth, States and health plans have maximum flexibility and accountability;

Ninth, administrative costs and complexity are minimized; and

Tenth, program costs and fraud and abuse are controlled.

SUMMARY OF THE HEALTHY MOTHERS, HEALTHY CHILDREN ACT

Let me summarize the legislation I am introducing:

A national trust fund is established to support state-based programs that involve private health plans. Participation is voluntary for states, health plans, and families.

All children under age seven are eligible, regardless of family income, employment, or insurance status. Pregnant women without employer-based coverage are eligible. Medicaid-eligible children and pregnant women are brought into the program to enhance their choice of providers and to avert a multi-tier health care system. There is no impact on the Medicaid program for nonparticipating States for noneligible children seven years of age and older. Every 2 years, if sufficient funds are available and the public is supportive of the program, the Secretary will increase eligibility to older children on a national basis. A State that has achieved universal coverage for children under seven in their State can extend coverage to older children before such children are eligible on a national basis.

In my legislation, children are enrolled during a national open enrollment period. States ensure that the enrollment process is simple and is not a barrier to care. Participating plans must accept any eligible person who wishes to enroll and cannot deny coverage for pre-existing conditions or any other reason.

All families contribute according to their ability to pay and receive a premium subsidy, ranging from 99 percent to 5 percent, based on a sliding scale of income. There is a cap on annual family medical expenses and a required $5 copayment for most services, except for preventive services.

The legislation is based on a management by objectives approach: States and health plans are given maximum flexibility to determine how they will meet program objectives, but are also fully accountable for results. States develop and administer the program, and are evaluated on an annual basis regarding their progress in achieving program objectives.

State funds are matched by Federal funds at a rate based on the State per capita income that is more generous than the State's current Medicaid matching rate. The average Federal matching rate for all States is 80 percent with a maximum matching rate of 90 percent.

Health services in the Healthy Mothers, Healthy Children Act are provided by private health plans. States certify health plans and negotiate premium rates with all interested plans. Participating plans compete to deliver the highest quality care at the lowest price. There are a series of standards to prevent adverse selection and discrimination, ensure access to primary and specialty care, and ensure that all participating plans compete on a ''level playing field.'' The program encourages innovation by existing plans and formation of new health plans.

All participating health plans must provide a comprehensive package of services.

The services will be specified by the Secretary and health professional groups. In general, services include: preventive health, ambulatory care, laboratory services, prescription drugs, hospital and in-home services, mental health services, dental and vision care, long-term health care for children with disabilities and chronic health conditions, durable medical equipment, and allied health services.

Because I believe that we must emphasize quality and accountability, the bill includes a series of standards to ensure quality at the health plan, State, and Federal levels. National guidelines for quality assessment and improvement, utilization review, and other programs are developed in consultation with private health plans and other nongovernmental organizations. All participating States must have a program for preventing, monitoring, and controlling fraud and abuse. As a check and balance, nongovernment advisory council provides program oversight and advises the Secretary on program administration and modifications. A national maternal and child health information system and a national childhood immunization database are established to monitor program quality and to increase childhood immunization rates.

How would employers be affected by this bill? Experience from the last Congress demonstrates that the issue of the role of employers in health care reform is extremely difficult to resolve. I propose that employers who drop coverage of employee-dependent children as a result of this Act must pay a temporary (5-year) annual maintenance of effort fee equivalent to 50 percent of health coverage costs for their employees' children. To discourage dropping of coverage, families whose coverage is dropped by their employers are not eligible for the program for 6 months.

In my legislation, there is a strong emphasis on prevention. Up to 5 percent of trust monies can be used to fund activities by States and nonprofit organizations to improve the health of mothers and children. Eligible activities include: supporting school-based clinics, increasing the use of telecommunications and computer technology to increase health care access, supporting biomedical and health-related research, enhancing core public health functions, and supporting health promotion and disease prevention activities. To minimize duplicative programs, existing Federal and State maternal and child health programs are integrated and coordinated under the bill.

Controlling health care costs is crucial. Therefore, I have several mechanisms designed to control costs in the program. Costs are controlled by market competition and delivery of care primarily through management care plans. Because premium subsidies for families are based on the lowest priced plan in an area, plans have an incentive to control costs. Because annual funding increases to the States are limited to the average increase in medical care costs for children and pregnant women on a national basis, states have an incentive to control program costs. There are also mechanisms in the bill that allow the Secretary to reduce program costs or request additional funds as necessary to ensure the financial integrity of the program. I am asking the Congressional Budget Office to score the bill.

How will we pay for the program? Funding sources for my legislation include shifting of Federal Medicaid funds for targeted groups, increase in Federal excise taxes on cigarettes of $1.50/pack, state matching funds, partial premiums from families, savings from elimination/reduction of duplicative Federal and State programs, and charitable contributions.

Perhaps I can best summarize my legislation by illustrating how it affects different families.

First, let's take the example of a middle class family of four at 250 percent of poverty with one child under seven, a pregnant mother, and a father who works in a small business that does not offer dependent coverage. In this situation, the mother and child may be enrolled into the Healthy Mothers, Healthy Children Program. They would receive comprehensive health care coverage and 40 percent of the cost would be subsidized. The family would pay a maximum of $1,830 per year for total medical expenses for the mother and child.

Now let's look at a lower income, single parent family at 100 percent of poverty with two children under 7, the parent works part time and the family is covered by Medicaid. In this case, the children would be automatically enrolled into the Healthy Mother, Healthy Children program. Under this program, the choice of provider, quality of care, and coordination of care would improve. Ninety percent of the cost of the coverage would be subsidized, and the family would pay a maximum of $80 per year for total medical expenses for both children.

Finally, what about higher income families? Let's consider a family at 500 percent of poverty with two children under 7, one parent works in a large company that provides family coverage but does not cover the children's preexisting conditions. This family may

elect to stay with their coverage or enroll their children into the Healthy Mothers, healthy Children program. The children would receive comprehensive health coverage including for preexisting conditions. The family would also receive a 5 percent premium subsidy, and pay a maximum of $6,000 per year for total medical expenses for the mother and child.

TOWARD A HEALTHY FUTURE FOR OUR NATION

Mr. President, I am introducing this bill today as a starting point for discussions towards a bipartisan bill to ensure that the most vulnerable members of our society have a chance to lead productive lives regardless of the circumstances of their birth. I urge all of my colleagues who are concerned with our Nation's future to join me and further develop my proposal.

As Congress revisits health care reform this year, it is likely that we will agree to at least provide for portability of coverage for employed individuals and limit exclusions for pre-existing conditions. These insurance reforms will improve access for some, but such reforms unfortunately fall far short of what we should and can do to expand coverage for children and pregnant women. We can do better.

There is a health care crisis in this country. Should we accept a society where children in many neighborhoods have better access to drug and handguns than to doctors? A society that ensures health care for all prisoners but does not extend that guarantee to all children?

I recognize that health care reform is complex. We must move cautiously and incrementally. A sensible approach is to start by at least ensuring that every child under seven and all uninsured pregnant women have affordable, comprehensive, high quality health care coverage.

In accepting the Republican nomination for President in 1928, Herbert Hoover said ''* * * the greatness of any nation, its freedom from poverty and crime, its aspirations and ideals are the direct quotient of the care of its children.'' And that ''* * * there should be no child in America that is not born and does not live under sound conditions of health * * *''

Sixty-seven years later, we are the only developed Nation that does not ensure that all children and pregnant women have health coverage as part of national maternal and child health policy. I know we can do better.

There is a saying that children will treat us as they have been treated. I urge that we, our society, start treating them well.

Mr. President, I ask unanimous consent that a summary of the bill be printed in the RECORD.

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

HEALTHY MOTHERS, HEALTHY CHILDREN ACT OF 1995

Purpose.—Amends the Public Health Service Act to ensure that affordable, comprehensive, high quality health care coverage is available through the establishment of state-based programs for all children and for all uninsured pregnant women; and to facilitate access to health services, strengthen public health functions, enhance health-related research, and support other activities that improve the health of mothers and children.

TITLE 1—NATIONAL HEALTH TRUST FUND FOR MOTHERS AND CHILDREN

Sec. 101. Establishment

Amends subchapter A of chapter 98 of Internal Revenue Code of 1986.

PART II—HEALTH CARE TRUST FUNDS

Sec. 9551. National Health Trust Fund for Mothers and Children

Establishes the National Health Trust Fund for Mothers and Children to support state-based programs that ensure affordable, comprehensive, high quality health care coverage for all children, and for all uninsured pregnant women.

Transfers into the Trust Fund shall include: (1) revenue from an increased tobacco tax, (2) shifting of funds from the Medicaid program, (3) designation of overpayments on tax returns and charitable contributions, and (4) savings from duplication of services or functions of existing federal programs.

Expenditures from the Trust Fund shall include: (1) funding state-based programs to cover children and pregnant women; (2) up to 5% of Trust Fund monies for awarding grants to states, universities, and other nonprofit organizations for activities to improve the health of mothers and children; and (3) up to 0.2% of the annual revenue from the increased tobacco tax to fund activities at the Office of Smoking and Health, Centers for Disease Control and Prevention to prevent the use of tobacco products by children and to coordinate federal and state tobacco control initiatives.

TITLE 2—HEALTHY MOTHERS, HEALTH CHILDREN PROGRAM

Sec. 201. Establishment and Allocation of Funds

Amends the Public Health Service Act (42 USC 201).

TITLE XXVII—HEALTHY MOTHERS, HEALTHY CHILDREN PROGRAM

Sec. 2700. Establishment of Program

States that wish to participate in this program must establish a state program to provide for or cover comprehensive, high quality health services for eligible individuals.

PART A—ALLOCATION OF FUNDS

Sec. 2701. Allocation of Funds to Participating States

For the first two years, the amount of funds allocated to each participating state will be determined by the Secretary of Health and Human Services, hereafter referred to as the Secretary, based on three factors: the estimated number of eligible children under seven years, the number of uninsured pregnant women in the state, and a geographic adjustment factor that is dependent on the average cost of health care in the state. In subsequent years, to encourage enrollment of all eligible persons, allocations to each state shall also be based on the number of persons enrolled in the state program in the previous year (the greater the number of eligible persons enrolled in the previous year, the greater the funds to the state).

After the first two years of funding to participating states, the annual per capita allocation to the states shall be increased each year up to an amount as determined by a formula, calculated and established annually by the Secretary. The formula shall be based on an index that reflects the estimated national average rate of inflation or health care expenditures for children and a similar index for pregnant women. The Secretary may consider state-specific waivers to this requirement on an annual basis if the state can demonstrate that extenuating circumstances within the state caused unavoidable increases in the cost of health services to children and pregnant women, and that the state has considered all reasonable strategies to control costs, including, but not limited to, working with certified plans to control costs, reducing administrative costs, restructuring the state program, and minimizing fraud and abuse.

Sec. 2702. State Trust Funds and Matching Contribution

Each state shall establish its own state trust fund (or in the case of regional programs, a regional trust fund) in which allocated federal funds and matching state funds shall be deposited. States are allowed to deposit additional funds into their trust fund at any time, but these state funds shall not be subject to federal matching unless they are deposited for the purposes specified in sections 2732, 2735, and 2753. Monies from the state or federal trust funds may be used only for activities directly related to the provision of health services or other activities specifically covered by this Act. Monies from the Trust Fund shall be transferred directly to the state's trust fund on an annual basis and the states shall deposit their matching funds on an annual basis. The annual transfer of funds to the states is contingent on a satisfactory annual evaluation of the state's program and approval of the state's annual plan by the Secretary as specified in section 2731.

Each participating state is required to match federal funds to the state trust fund at a rate determined by a formula developed by the Secretary that takes into account each State's annual per capita income. The Secretary shall ensure that: 1) each State's matching requirement is more generous for the State than the State's matching requirement under the Medicaid program at the time of the approval of the State program, 2) the average State matching requirement for all States is $2 for every $8 of Federal funds under the allocation (average Federal matching rate for all States of 80%), and 3) no State shall have a matching requirement less than $1 for every $9 of Federal funds under the allocation (maximum Federal matching rate of 90%).

States may elect to accept a donation of funds, services, or equipment toward a state program under this Act from individuals and the private sector. However, the state shall ensure that donations from individuals and for-profit entities do not result in a conflict of interest in terms of the state giving preference to the individual or entity related to the award of contracts for a federal or state health program.

Sec. 2703. Excess and Insufficient Funds in Trust Funds

In the case that monies exist in the Trust Fund that are not transferred to participating states or awarded for activities under this Act, such monies shall remain in the Trust Fund and be available for use in subsequent years. In the event that there exists a surplus of monies in a state trust fund, such monies do not need to be transferred back to the Trust Fund. However, such surplus state monies must be used to expand eligibility to older children.

In the case that there exist insufficient monies in the Trust Fund, or it is expected that insufficient funds will exist, in any given year to fully transfer to the states the amount ordinarily allocated by the Secretary, then the National Advisory Council

for Mother's and Children's Health as established under section 2742, and to be referred to hereafter as the Council, shall recommend to the Secretary, within 60 days of the Council's discovery, strategies for correcting the discrepancy. The Council may choose to recommend additional sources of revenue for the Trust Fund, adjusting the state matching requirements under section 2702, adjusting the range or nature of health benefits provided under section 2721, adjusting the cost sharing requirements for families under sections 2725–2728, decreasing grants awarded under Part F, or other measures as deemed appropriate by the Council. In consultation with the Council, the Secretary shall submit implementing legislation to Congress, within 60 days of the Council's recommendations, for correcting the problem.

In the event that a state does not have sufficient monies in the state trust fund to meet its obligations during a given year, the state may petition the Secretary for additional monies and the Secretary shall make a decision for funding or a loan from the Trust Fund within 90 days of the petition. However, the Secretary shall not transfer any additional funds to the state if it is determined that the state mismanaged funds, failed to prevent foreseeable fiscal problems, or failed to control fraud and abuse.

PART B—ELIGIBILITY AND ENROLLMENT

SUBPART I—ELIGIBILITY

Sec. 2710. Eligibility of Individuals

The following groups are eligible under this Act:

1. All children under seven years of age regardless of income or insurance status, plus older children (up to 21 years) as the Secretary or states expand eligibility as funds are available.

2. All pregnant women, regardless of income, who are not insured through their own employer or their family's employer. However, pregnant women who have employer-based coverage, but do not have coverage for pregnancy-related health benefits, shall also be eligible. (The 1978 Pregnancy Discrimination Act, which applies to employers who have 15 or more employees and requires that any health insurance provided to employees must cover expanses for pregnancy-related conditions on the same basis as expenses for other medical conditions, shall remain in effect.)

3. Legal residents or United States citizens only. States may elect to extend eligibility to other residents, but no federal funds shall be used to provide for such coverage.

An individual is not eligible under this program if he/she was covered under an employer-based health plan and coverage was dropped by the employer within the six-month-period prior to the individual's application.

Sec. 2711. Election of Eligibility

Children who are eligible for or receive health services from the Department of Defense (military medicine or the Civilian Health and Medical Program of the Uniform Services (CHAMPUS)), the Indian Health Service, or the Department of Veterans' Affairs, may continue to use such services or elect to enroll in a certified plan under this Act.

All age-eligible children who are enrolled in Medicaid at the time of full implementation of this Act in their state of residence shall be automatically enrolled in the respective state program under this Act. In the case of an age-eligible child in state-supervised care or a child who does not live with his/her parents, the child shall be enrolled in a plan by the state agency or guardian that has been awarded temporary or permanent custody of the child unless there is a specially designed health care system for such children.

Pregnant women who are enrolled in Medicaid at the time of full implementation of this Act in their state of residence shall be automatically enrolled in the respective state program under this Act. Pregnant women who are eligible for health services under the Department of Defense, the Indian Health Service, the Department of Veterans' Affairs, and other federally sponsored health plans are not eligible under this Act.

In the case where an individual elects or is automatically enrolled in a state program under this Act, all privileges (such as choice of certified plans) and responsibilities (such as payment of premiums or copayments) accorded to their families or themselves under this Act shall apply.

Sec. 2712. Eligible Health Plans and Providers

All health plans and providers who are licensed and credentialed, or otherwise legally authorized by their state, to provide the health services specified under this Act, under the respective rules and regulations of their state, are potentially eligible to participate in the state program if they meet all relevant state and federal requirements under this Act.

SUBPART II—ENROLLMENT

Sec. 2715. Enrollment of Eligible Persons

Families with eligible children may enroll their children during a national open enrollment period as defined by the Secretary. Congress shall designate this one-month period as National Healthy Mothers, Healthy Children's Month.

Participating states shall establish a system for enrolling eligible children and pregnant women that minimizes barriers to enrollment. The application process shall be reasonably convenient, efficient, and available through a wide range of methods. At a minimum, enrollment shall be available through the mail, telephone (via a toll free number), and in person.

Enrollment materials shall be available from health care providers, health provider organizations, hospitals, health clinics, and at facilities that provide health and nutrition services to children and women, and from local and state government health offices. The Secretary, in consultation with the states and representatives of certified plans, shall develop the essential data elements for a standardized enrollment form and it shall not be more than one page in length. However, additional data collection instruments for the purposes of program assessment and improvement may be allowed as long as they are not a requirement for enrollment.

States shall process enrollment applications and give a final decision on the application to the family and relevant plan within 30 days of application submission. Approval of the application shall be dependent on eligibility and income verification and must occur within 30 days. Upon approval, the state shall notify the family and relevant plan of the family's expected annual premium contribution, the first payment of which must be received by the plan or the state within 30 days of application approval. Income verification mechanisms and requirements shall be developed by the state. States may elect to waive income verification requirements for families who are already subject to similar requirements under other state or federal programs or in other situations deemed to be appropriate by the state.

Children may also be enrolled by their family at any time outside of the open enrollment period, but a late enrollment surcharge, to be determined by the state, will be imposed for doing so. Families shall be given the opportunity to enroll their newborn before or at the time of delivery (through the hospital or birthing center). In order to avoid a surcharge, newborns must be enrolled into the program prior to their birth, within 30 days of their birthdate, or during the open enrollment period.

Upon enrollment application, the family shall indicate their choice of certified plan. The period of enrollment shall not be less than one year for a child, and in the case of a pregnant woman, the period shall be for the duration of her pregnancy and eligible post-partum period. Families with enrolled children in a certified plan may freely elect to change plans during the next open enrollment period. Families with enrolled children may also change plans outside of the open enrollment period but the state shall impose a substantial surcharge, to be determined by the state, for doing so. However, there shall be no surcharge for families with enrolled children or pregnant women if the change of certified plans is due to the family moving to another area not served by the current plan, in the case of a plan withdrawing from a market area, or for other justifiable and legitimate reasons as determined by the state.

A pregnant woman may enroll at any time after the diagnosis of pregnancy is confirmed by a physician or qualified health professional, or she may enroll in order to confirm her pregnancy. Women who plan to become pregnant may also enroll in the program, but covered benefits are available only after the pregnancy is confirmed by a physician or qualified health professional.

There shall be no waiting period for covered health services; access to services shall be effective immediately at the time of enrollment application. All applicants shall be presumed to be eligible until the state has determined otherwise. Certified plans must provide covered health services to any pregnant woman or child who has not been enrolled in a certified plan under this Act and who reasonably appears to be of an eligible age until such time that the state has notified the plan that the applicant is not eligible under this Act. In these cases, however, an application for enrollment in the certified plan must be submitted by the pregnant woman or on behalf of the child during the initial point-of-service visit. The state shall impose a surcharge, to be determined by the state, for enrollment at the point-of-service. States may elect to directly compensate plans for services delivered to persons who are subsequently deemed ineligible, or allow plans to factor in the estimated costs of providing services to such persons in their rate negotiations with the state.

Waivers to any enrollment surcharge may be obtained from the state if the applicant can demonstrate that he/she was out-of-state during the open enrollment period or for other unavoidable and legitimate reasons as determined by the state, including, but not limited to, sudden loss of health coverage due to unemployment, divorce, and financial crisis.

Sec. 2716. Transition from Eligibility

When a child enrolled in a certified plan reaches the end of an enrollment period on the day of or after attaining his/her seventh birthday, he/she shall no longer be eligible for premium subsidies under this Act. However, the child's health plan in effect immediately prior to the individual attaining his/her seventh birthday must continue to provide coverage indefinitely, at the discretion of the child's family, for as long as the full unsubsidized premium and copayments are paid. There shall not be any exclusion of coverage for pre-existing conditions. In addition, if the individual's family elects to leave

the current health plan for another plan or for an employer-provided plan that provides similar benefits to employee dependents, the plan or employer must accept the individual into the plan and is not allowed to exclude coverage for any pre-existing conditions.

A woman shall no longer be eligible for health benefits under the program two months after the end of pregnancy. If the woman was covered under a health plan or employer-based plan (without pregnancy-related benefits) immediately prior to her enrollment in the state program, her previous plan and employer must readmit her into the plan with no exclusions for pre-existing or pregnancy-related conditions at a cost comparable to what she had paid prior to her enrollment in the state program.

Sec. 202—Comprehensive Health Benefits and Cost Sharing Requirements

Amends title XXVII of the Public Health Service Act.

PART C—COMPREHENSIVE HEALTH BENEFITS AND COST SHARING REQUIREMENTS

SUBPART 1—COMPREHENSIVE HEALTH BENEFITS

Sec. 2721. Comprehensive Health Benefits Package

Within 180 days of enactment of this Act, the Secretary, in consultation with specific health care professional and health-related organizations, shall develop a specific comprehensive benefits package for children and pregnant women based on the general groups of benefits outlined in section 2722. The Secretary shall determine the organizations that will be consulted in development of the benefits package. At a minimum, the American Academy of Pediatrics, the Association of Maternal and Child Health Programs, and the American Dental Association shall be consulted in developing the benefits package for children, and the American College of Obstetricians and Gynecologists and the Association of Maternal and Child Health Programs shall be consulted in developing the benefits package for pregnant women. To the extent possible, periodicity schedules for preventive services shall be specified in the benefits packages.

As a guide for development of the comprehensive benefits packages for children and pregnant women, the Secretary shall ensure that the specific comprehensive benefits packages are consistent with the following ''floor'' and ''ceiling'': The actuarial equivalent of the specific comprehensive benefits packages must exceed the average actuarial equivalent of health benefits offered to the children and pregnant women by all states under the Medicaid program on the date of enactment of this Act. In addition, the actuarial equivalent of the specific comprehensive benefits packages shall not exceed the actuarial equivalent of health benefits provided to children and pregnant women in the specifics state(s) with the most generous Medicaid benefits package for these populations on the date of enactment of this Act.

In addition to developing the specific benefits package, the Secretary, in consultation with selected health professional organizations, shall determine which types of services shall be subject to utilization copayments under section 2727. At a minimum, preventive services shall be exempt from any utilization copayment.

The benefits packages shall be reviewed and revised as necessary every two years by the Secretary in conjunction with relevant professional organizations and the Council. Revision of the benefits packages shall be consistent with changes in the age group of eligible children, standard medical practice, new technologies, emerging health problems and health care needs. The benefits package may be revised immediately if children seven and older are eligible on a national basis or in a state within two years of the development of the initial benefits package.

Certified plans operating under this Act shall cover or provide the comprehensive health services as specified by the Secretary. Certified plans may not offer any plan to eligible individuals under this Act that does not cover or provide for all the benefits specified by the Secretary. However, certified plans may offer additional plans that have more generous benefits than those specified by the Secretary.

In the case where the State has determined that no participating health plan is able to provide for or cover all the services in the comprehensive benefits package, or the State has determined that certain services are most effectively delivered by providers other than participating health plans, then the State may elect to develop an alternative mechanism, such as entering into agreements with other providers, to provide for or cover specific services. In all cases, however, the State must ensure that all services covered under the comprehensive benefits package are of high quality and are fully coordinated and integrated.

Sec. 2722. General Categories of Health Benefits

At a minimum, the following general categories of health services shall be provided for or covered by certified plans participating under this Act:

For children, from birth up to seventh birthday (or end of enrollment period after birthday): preventive services (including immunizations as recommended by the Advisory Committee on Immunization Practices (ACIP), well baby/child care, routine exams and check ups, recommended screening tests, dental prophylaxis and exams, preventive health counseling and health education); ambulatory care; laboratory services; prescription drugs; inpatient care; vision, audiology and aural rehabilitative, and other rehabilitative services (including prescription eyeglasses, hearing aids); durable medical equipment (including orthotics, prosthetics); dental care (excludes orthodontic care); mental health and substance abuse services; long-term and chronic care services; special health care services for children with disabilities or chronic health conditions; occupational, physical, and respiratory therapy; speech-language pathology services; investigational treatments (limited to participation in a clinical investigation as part of an approved research trial as defined by the Secretary. Services or other items related to the trial normally paid for by other funding sources need not be covered.)

For pregnant women, from diagnosis of pregnancy through 60 days after the end of pregnancy: maternity care (including prenatal, delivery, and postpartum care, including preventive services such as routine exams and check ups, recommended immunizations and screening tests, family planning services, preventive health counseling including nutrition and health education); ambulatory care; laboratory services; prescription drugs; inpatient care; inpatient hospital and nonhospital delivery services; mental health and substance abuse services; any other pregnancy- or nonpregnancy-related health condition; investigational treatments (limited to participation in a clinical investigation as part of an approved research trial as defined by the Secretary. Services or other items related to the trial normally paid for by other funding sources need not be covered.)

States may elect to extend comprehensive coverage or coverage of selected health services to pregnant women beyond the two-month postpartum period as long as federal funds are not used for such additional coverage.

During the first two years of the implementation of this Act, the items and services in the comprehensive benefits package shall not be subject to any duration or scope limitation. In addition, there shall be no cost sharing that is not required or allowed under this Act. In subsequent years, however, the Secretary, in consultation with selected professional organizations and the Council, may implement utilization or other limitations on covered benefits on a national basis if such limitations are deemed to be absolutely necessary for the solvency of the program and Congress fails to authorize and appropriate additional monies to the Trust Fund. However, alternatives to decrease program costs such as minimizing administrative costs, increasing cost sharing requirements, and increasing federal or state funding shall be considered before limitations on covered benefits are considered. In no case, however, shall preventive services in the benefits package be subject to such limitations.

Certified plans need not provide coverage for health services that are greater in frequency than that specified in recommended periodicity schedules, to the extent they are specified under section 2721. However, certified plans must cover any health services, within the general scope of the comprehensive benefits package, that are medically necessary or appropriate for children and pregnant women.

Nothing in this Act shall be construed as limiting the ability of states or certified plans from providing additional health services not covered by this Act, as long as federal funds are not used to pay for such additional services. However, a certified plan may provided for extra contractual services and items determined to be appropriate by the plan and individual (or family).

Nothing in this Act shall be construed as limiting the ability of individuals to obtain additional health services that are not covered by the benefits package as long as federal funds are not to pay for such services.

In the interest of ensuring that all children in the United States receive comprehensive health services, employer-based, self-insured, and other health plans not participating under this Act, are encouraged to, but are not required to, provide comprehensive benefits to children and pregnant women similar to those specified in this Act.

SUBPART II—COST SHARING REQUIREMENTS

Sec. 2725. Principles of Cost Sharing

All families who participate under this Act shall contribute towards the cost of their own or their child's health care. There shall be two types of costs for individuals participating in a state program: a premium and copayments. There are no deductibles allowed under this Act.

The following schedules for determining premium subsidies, copayments, and maximum annual family contributions are intended as a guide for participating states. States may elect to develop their own specific cost sharing requirements as long as they are consistent with the principles that all participating families contribute towards the program and all families receive premium subsidies, all families pay the same copayment for services, and coverage is affordable for all income levels. In addition, state cost sharing schedules shall not result in any overall funding obligations to the federal government in excess of that based on the cost sharing schedules specified in this Act. In all participating states, the annual family contribution under this Act shall not be less than $10 per child and $20 per pregnant woman.

States may not require additional cost sharing for families with annual incomes less

than 150% of the federal poverty level that exceed the cost sharing amounts specified in this title. States may elect to provide additional premium or copayment subsidies for families whose income is less than 400% of the federal poverty level if there are sufficient funds in the state trust fund and no additional federal monies are used for such additional subsidies.

Participating states, in conjunction with certified plans, shall monitor the impact of cost sharing requirements (premiums and copayments) on low income families and ensure that any cost sharing requirements are not significant barriers that prevent such families from enrolling in a certified plan or from obtaining medically appropriate care. An analysis of the impact of cost sharing on low income families shall be presented to the Secretary in the State's annual quality assessment and improvement plan specified in section 2741.

Sec. 2726. Premiums and Premium Subsidy

All families are responsible for paying their portion of the premium to enroll into a certified plan. Premium payments are payable directly to the plan or the state (as elected by the state) on a monthly, quarterly, or other basis. Upon final approval of an enrollment application, states shall transfer funds directly to certified plans for the amount of the premium subsidy calculated for each individual enrolled.

All families, regardless of income, shall receive a subsidy on their premiums. The annual premium amount to be paid by families to the plan is the annual per capita premium negotiated by the state with each certified plan minus the premium subsidy provided by the state. In no case shall the annual premium subsidy be greater than the annual premium negotiated with the plan.

In the case where multiple certified plans are available in a geographic area or a certified plan offers additional benefits package options at additional cost, the premium subsidy shall be calculated based on the lowest priced certified plan that is available in the area. Families shall be responsible for any costs not covered by the premium subsidy as a result of enrolling in higher priced plans. In addition, any such premium amounts that result from the selection of higher priced plans shall not be credited toward the maximum annual family contribution amounts under section 2728.

In the case where the calculated annual premium contribution for a family after applying the appropriate premium subsidy exceeds the maximum annual family contribution, the difference shall be paid by the state directly to the plan.

In the case of a single eligible individual enrolled, the percentage of the annual premium subsidy shall apply to the individual annual premium, and, in the case of multiple eligible individuals enrolled from one family, the premium subsidy percentage shall be applied to the total annual family premium.

The annual premium subsidy percentage is based on the following scale of adjusted annual family gross income as a percentage of federal poverty level (FPL):

Annual Income (% FPL) and Percentage Subsidy:

<50, 99%.
50–149, for each 10% point increase in FPL, decrease subsidy by 1.5% points.
150–299, for each 10 % point increase in FPL, decrease subsidy by 4% points.
300–399, for each 10% point increase in FPL, decrease subsidy by 1.5% points.
<400, 5%.

The following are examples of premium subsidies at various incomes.

Annual income (% FPL):	*Percentage subsidy*
<50	99
<100	90
150	80
250	40
350	15
>=400	5

For example, if the annual premium negotiated by the state with a certified plan is $500 per child, a family of four with two children enrolled and an annual family income at 250% of the federal poverty level ($37,875 in 1995), would contribute $600 (i.e. $1000—$1000(.40)=$600).

Sec. 2727. Utilization Copayments

There shall be a $5 copayment for selected services or items covered by this Act as designated by the Secretary under section 2721, which is payable to the certified plan. Preventive services are exempt from copayments.

In addition to plans with a standard $5 copayment, a state may also choose to offer plans that have higher copayments and lower annual premiums. However, the premium subsidy for a family who selects a high copayment plan shall not be greater than that calculated for the plan with a $5 utilization copayment. In all cases, the copayment amount shall be the same for all income levels and the minimum copayment amount shall be $5.

Utilization copayments are waived by the plan after a family's annual contribution (includes premiums and copayments) has exceeded the maximum annual family contribution.

Sec. 2728. Maximum Annual Family Contribution

For families with children, the maximum annual family contribution towards health care (inclusive of premiums and copayments) for each child shall be capped according to the following scale based on adjusted annual family gross income:

Annual Income (% FPL and Maximum Contribution Per Child

< 50, $10.
50–149, $15 increased by $5 for each 10% increase in annual income in excess of 49%.
150–299, $110 increased by $50 for each 10% increase in annual income in excess of 149%.
300–399, $960 increased by $150 for each 10% increase in annual income in excess of 299%.
>=400, $3,000.

The following are examples of maximum family contribution per child at various income levels.

Annual Income (% FPL):	*Maximum contribution per child*
< 50	$10
100	40
150	110
250	610
350	1,710
>=400	3,000

The above caps represent the maximum annual family contribution for a family with one child. Maximum contribution for families with two children are double the above amounts. For a family with three children enrolled, the maximum annual family contribution shall increase by an additional 40% beyond the cap for a family with two children. For a family with four or more children enrolled, the maximum annual family contribution shall increase by an additional 80% beyond the cap for a family with two children.

For example, a family of four with two children enrolled and an annual family income at 250% of the federal poverty level ($37,875 in 1995), would contribute a maximum of $1,220 annually (i.e., $610 2=$1,220). A family of six with four children enrolled and an annual family income at 250% of the federal poverty level ($50,675 in 1995), would contribute a maximum of $2,196 annually ($610 2 1.8=$2,196).

For families with a pregnant woman, the maximum annual family contribution towards health care (inclusive of premiums and copayments for the pregnant woman) for each pregnant woman, shall be capped according to the following scale based on adjusted annual family gross income:

Annual Income (% FPL and Maximum Contribution Per Woman:

< 50, $20.
50–149, $30 increased by $10 for each 10% increase in annual income in excess of 49%.
150–299, $220 increased by $100 for each 10% increase in annual income in excess of 149%.
300–399, $1,820 increased by $200 for each 10% increase in annual income in excess of 299%.
>=400, $5,000.

The following are examples of maximum family contribution per pregnant woman at various income levels.

Annual Income (% FPL):	*Maximum contribution per woman*
< 50	$20
100	80
150	220
250	1,220
350	2,820
>=400	5,000

For example, for a family of four with one pregnant woman and one child enrolled with an annual family income at 250% of the federal poverty level ($37,875 in 1995), the maximum annual family contribution would be $1,220 + $610=$1,830.

These maximum family contribution caps shall be in effect for the first two years of the program. In subsequent years, the maximum annual contribution shall be adjusted upwards annually to the nearest $5 indexed directly to the indexes used by the Secretary to calculate funding allocations to the states under section 2701.

The premium contribution or copayments assessed for families under this Act shall not be subject to any increase during the one-year-period of enrollment until the subsequent open enrollment period. However, the amount of the premium subsidy and maximum annual family contribution assessed may be adjusted during the one-year-period of enrollment before the subsequent open enrollment period, if the family can demonstrate a sufficient decrease in income that allows them to receive a larger premium subsidy. The premium contribution for the family shall then be recalculated based on the larger premium subsidy for the remainder of the period up to the next open enrollment period. Families must apply directly to the state for income reconciliation adjustments and each family shall be limited to one income reconciliation adjustment on their cost sharing amounts per year. In cases where premium subsidies have been subject to income reconciliation, the state shall appropriately adjust its payments to the respective plan.

Sec. 203. State Program Development and Administration

Amends Title XXVII of the Public Health Service Act.

PART D—STATE PROGRAM DEVELOPMENT AND ADMINISTRATION

Sec. 2731. Application and Date of Implementation

States that wish to participate in the program must implement their coverage for children and pregnant women under this Act by January 1, 2000. However, states may elect to implement their program as early as January 1, 1996.

States intending to participate in this program may submit their initial five-year strategic plan to the Secretary at any time after the enactment of this Act. The Secretary, in consultation with the Maternal and Child Health Bureau, shall provide specific guidance to the states on the elements of an acceptable plan within 90 days of the enactment of this Act. At a minimum, the initial plan must describe the current health status of the target population, short- and long-term health objectives with time schedules, performance and outcome measures and mechanisms for monitoring health indicators, details of the proposed structure, comparative analyses of at least one alternative structure considered, and cost estimates. In addition, the strategic plan must outline how coverage for all eligible persons can be achieved within five years under the proposed structure. In the case that a State proposes a structure that is different from that described in this title, the plan must include a comparative analysis of the State's proposed structure and the structure described in this title, including an analysis of achievement of the objectives of this title and program costs.

The initial plan may incorporate elements required under current state Title V program applications. If the plan is not accepted, the Secretary shall work with the state to improve it and give specific guidance on how to achieve an acceptable plan. The Secretary must give a final decision on the proposal within 90 days of receiving the state submission. States with plans that are not approved may submit another initial strategic plan in the following year.

Not later than 90 days after the date of enactment of this title, the Secretary, in consultation with the Maternal and Child Health Bureau, shall develop and make available specific criteria that will be the basis for evaluation and approval of state strategic plans.

Regardless of the proposed structure, the state program must be likely to ensure affordable, comprehensive, high quality health care coverage for all children under seven years and pregnant women within a reasonable time period. In addition, the proposed program must offer the comprehensive benefits package specified in section 2721, be consistent with the principle that all families contribute towards their own or their children's health care, have a quality assessment and improvement program and utilization review program under section 2743, fulfill health information systems requirements under sections 2744–2745, and have a program for preventing and controlling fraud and abuse under section 2746.

Participating states shall, at a minimum, offer a program consistent with the guidelines and principles outlined in this Act. States must consider a program similar in structure to that described in this Act, but are encouraged to be innovative and may propose structures or a blend of structures for their program that are different from that described in this Act. Such structures may include, but are not limited to, modifications of existing state or federal programs, capitated programs, fee-for-service programs, subsidy programs for individual purchase of insurance, and programs where the state is the direct payer for services. However, such structures must be as effective in meeting the program objectives and containing program costs as the structure described in this title. States shall be allowed to establish a state-specific program or establish regional programs with neighboring states.

Sec. 2732. Special Status States

If a state considers that their existing health care program has achieved, or is expected to achieve within one year, affordable, comprehensive, high quality care coverage for all children under seven and pregnant women, the state may petition the Secretary to designate it as a special status state in their initial five-year strategic plan. In addition, states participating under this Act that have achieved this objective may petition for special status in their annual quality assessment and improvement plan after the first year of state program implementation. For the purposes of this section, a state will be considered as fulfilling the requirements for special status if the state can demonstrate that at least 95% of all eligible children and pregnant women in the state are covered either by the state program or other sources of health insurance.

Special status states so designated by the Secretary may submit proposals to expand health services for children under seven years and pregnant women or to expand comparable coverage for health services for older children up to age 21. Funding for expanded eligibility programs shall be subject to the respective state federal matching requirement under section 2702. Proposals from special status states shall receive the same priority for funding as non-special status states. Any expanded eligibility programs, however, must be consistent with the requirements and guidelines under this Act. The Secretary shall make a final decision on the state petition for special status within 90 days of receiving the state proposal.

Sec. 2733. States with Medicaid Waivers

States that have Medicaid waivers under sections 1115 or 1915 of the Social Security Act are eligible to be a participating state under this Act. Such states that elect to participate shall be subject to all program guidelines and responsibilities that apply to non-waiver states. States with Medicaid waivers may also elect to petition for designation as a special status state if it qualifies as such under section 2732.

Sec. 2734. Development Grants for State Programs.

Upon approval of a state's initial five-year strategic plan under section 2731, the Secretary shall make a one-time program development grant available from the Trust Fund to the state for a period not to exceed two years. The amount of funds distributed to each state shall be based on a formula developed by the Secretary. Such funds may be used only for the purposes of developing and implementing the approved proposed state program including the development of community-based health networks and plans. There is no requirement for states to match federal development grant funds.

Sec. 2735. Expansion of Eligibility

Every two years after the enactment of this Act, the Secretary, in consultation with the Council, shall determine if sufficient public support and funds exist to expand eligibility coverage to additional groups of children up to 21 years of age. If the Secretary has determined that sufficient public support and monies exist in the Trust Fund to expand coverage to additional age groups on a national basis, then he/she must do so. If public support exists but funds are insufficient, then the Secretary may recommend to Congress that legislation be passed to expand the program to cover additional age groups with appropriate additional federal funding.

States that do not qualify as special status states under section 2732 may also petition to expand their program to cover additional age groups in their annual evaluation report to the Secretary, if sufficient funds are available in the state's trust fund or if additional state funds are deposited into the state's trust fund. Additional state funds deposited into the state fund for the purposes of expanding eligibility to older children in the state not eligible on a national basis shall be matched by monies from the Trust Fund on an equal basis (1.1 state/federal ratio) if the Secretary approves the expansion petition. Such expanded eligibility programs, however, must be consistent with the requirements and guidelines under this Act. The approved expanded eligibility component of the state program shall be considered for funding only after funds for all participating states with approved programs covering the regular target population (children under seven and pregnant women) and approved expanded eligibility programs of special status states are allocated. The Secretary shall give a final decision on a state request for expanding eligibility within 90 days of receiving the state petition.

Sec. 2736. Failure of State to Administer a Program in Compliance with Title

If the Secretary has determined that a participating state's program has failed to meet the program guidelines in this Act, including cost containment and the prevention and control of fraud and abuse, the state must demonstrate that it has made a reasonable effort to address the deficiencies or the Secretary may elect to directly administer, or enter into agreement with a non-state government organization to administer, the state program. Premiums and copayments for federal or non-state government administered programs shall not be greater than those ordinarily charged by a state administered program. The budget for running the federal or non-state government administered program shall not be greater than that ordinarily allocated to the state. Under a federal or non-state government administered program, the state must continue to provide matching funds at the respective state: federal matching ratio.

Sec. 2737. Limits on State and Federal Administrative Costs

States and the Secretary shall ensure that administrative complexity and costs of programs under this Act are minimized to the extent possible. Administrative costs for state programs shall not exceed 5% of the annual budget for any given year subsequent to the first two years of the program. The state shall be responsible for any administrative costs in excess of 5%. Similarly, the administrative costs for federal or non-state government administered programs shall not exceed 5% of the annual budget for any given year subsequent to the first two years of the program.

PART E—ENSURING QUALITY, ESTABLISHING INFORMATION SYSTEMS, AND PREVENTING ABUSE

Sec. 2741. Annual Quality Assessment and Improvement Plans

Subsequent to the approval of the initial strategic plan, participating states in coordination with existing state Title V health programs, shall submit a quality assessment and improvement plan to the Secretary on an annual basis. The Secretary, in consultation with the Maternal and Children Health Bureau, shall provide guidance on the elements of an acceptable annual quality assessment and improvement plan within 180

days of the enactment of this Act. At a minimum, the plan shall include an assessment of the state's progress toward ensuring coverage for all eligible persons, cost containment, assurance of quality care, impact on the health status of the target population (including outcome measures and process objectives), a financial statement, and proposed changes to the state program. The Secretary shall give feedback and make a final decision on proposed modifications to the state program within 90 days of receiving the state's evaluation and quality improvement plan. Evaluations of the state program by the Secretary shall be based on an assessment of the performance of the state program in meeting program objectives rather than on the specific methods used to achieve such objectives.

Sec. 2742. Establishment of National Advisory Council for Mothers' and Children's Health

The National Advisory Council for Mothers' and Children's Health, to be referred to hereafter as the Council, shall be established to advise the Secretary regarding the administration of and modifications to programs under this Act.

The Council shall have the responsibility for evaluating programs under this Act and advising the Secretary on improving the health of children and pregnant women. The Council evaluates and makes recommendations in the following areas: covered benefits; cost sharing; allocation and management of funds; eligibility and enrollment issues; standards and responsibilities of certified plans, of the states, and of the federal government; quality improvement programs; development of practice guidelines; information systems and reporting requirements; general program administration; and any other relevant areas identified by the Council. As part of its evaluation, the Council shall provide an assessment of the impact of programs under this Act on the health status of children and pregnant women.

The Council shall be comprised of 11 individuals, appointed by the Secretary within 90 days of the enactment of this Act, confirmed by the Senate, who were not employed by the federal government within the one-year period prior to their appointment. Members of the Council shall represent pediatricians, obstetricians, and other health care providers, consumers, health policy experts, state and local government health officials, public health and maternal and child health professionals, experts in population-based health information systems, experts in health promotion and disease prevention, health care managers and economists, medical ethicists, representatives of the health care industry, and other related disciplines as deemed appropriate by the Secretary. The ratios of affiliations may vary, but no less than three members shall be health care providers and no less than three members shall represent consumers (members representing health care providers or consumers must be different individuals). After the initial appointment of consumer representatives, subsequent consumer representatives must be from families currently enrolled in a certified plan under this Act.

Members of the Council shall be appointed on the basis of their experience and expertise. No member shall have a substantial financial interest in the issues addressed by the Council. Each member shall be appointed for a two year term and six of the initial Council members shall be appointed to three year terms. No member may serve more than two complete terms. The Secretary shall appoint one chairperson and one vice chairperson of the Council for a term of two years. No chairperson shall serve in that capacity for more than one term. In the case that a member does not complete a full term, the Secretary shall appoint a replacement, subject to Senate confirmation, to serve the remainder of the term.

The Council shall meet on a regular basis, not less than four times a year, to review the operations of the program and to make specific recommendations to address identified problems. The Council may elect to appoint professional or technical task groups, as necessary, to carry out specific functions if appropriate expertise is not sufficient in the Council. The Council shall submit a summary of their activities, analyses, and evaluation of the program with their recommendations for program improvement to the Secretary on an annual basis. The Secretary shall provide all necessary logistic, administrative, and financial support to the Council. Council members shall be compensated for each day spent on official Council business and reimbursed for official travel and business expenses. Compensation shall not exceed the maximum rate of basic pay for level IV of the Executive Schedule under section 5315 of title 5, U.S. Code.

In cases where the Council and the Secretary irreconcilably differ on major policy related to programs under this Act or the Council has evidence that the Secretary is not fulfilling his/her responsibilities under this Act to ensure affordable, comprehensive, high quality health care coverage for all eligible individuals, the Council may elect to issue a report to Congress.

Sec. 2743. Establishment of National Quality Assessment and Improvement Program Guidelines and Utilization Review Program Guidelines

Within one year of the enactment of this Act, the Secretary, in consultation with relevant government and non-government organizations as determined by the Secretary, shall develop national guidelines for quality assessment and improvement programs and national utilization review guidelines for certified plans under this Act. At a minimum, the National Committee on Quality Assurance, the National Association of Insurance Commissioners, private health care accreditation organizations, representatives of certified plans, and relevant maternal and child health care professional organizations shall be consulted. The quality assessment and improvement guidelines should be consistent with the concepts and principles of Continuous Quality Improvement/Total Quality Management (CQI/TQM). The national guidelines shall be specific for pediatric and maternal health care delivery systems to the extent possible. The guidelines shall be flexible and adaptable, and serve as the basis for each certified plan's quality assessment and improvement program and utilization review program.

At a minimum, certified plans must ensure that the following attributes are incorporated into a utilization review program: The utilization review program is clearly documented; only qualified licensed or certified health professionals with training/experience in pediatric or obstetrical care are used for specific case utilization reviews; persons involved in specific case utilization review do not have a financial interest or incentive to deny or limit utilization; descriptions and protocols for utilization review are disclosed to enrollees, affiliated providers, and appropriate state officials upon demand while protecting proprietary business information; criteria for review must be based on sound scientific principles and standard medical practice; and there is a mechanism for regular evaluation and modification of the program.

Sec. 2744. National Health Information Systems for Mothers and Children

Within one year of enactment of this Act, the Secretary shall implement the National Health Information System for Mothers and Children. The Secretary, in consultation with states and representatives of certified plans, the Agency for Health Care Policy Research, the Health Resources and Services Administration, the Centers for Disease Control and Prevention, other agencies or non-government organizations as deemed fit by the Secretary, shall develop the specific data elements and operating procedures for a national information system.

Data from the information system shall be used for the purposes of: Monitoring and evaluation of certified plans, monitoring the health status of the population; supporting core public health functions; increasing capacity for health policy and program evaluation, planning, and research; quality assessment and improvement activities; improving provider coordination and access to care; and other purposes related to the public health.

States shall require that each certified health plan submit the requested data in electronic form under the guidelines established by the Secretary. The Secretary shall develop and freely distribute computer software that will allow states and certified plans to efficiently collect and transmit the requested data. States and certified plans are not required to use such software if they can fully comply with the data collection and reporting requirements with their own information system.

To ensure privacy of medical information, the Secretary and the states shall implement safeguards against unauthorized access to medically confidential information, and penalties shall be developed under section 2746 for such violations. Applicable state laws that protect medical confidentiality shall also apply to data collected under this Act excepting such laws that interfere with the uses of the data as specified in this Act. The state is responsible for ensuring reporting of data from certified plans and transmitting the data from all plans within the state to the Secretary. Data collected by certified plans shall be available to the plan, and data collected by the state shall be available to the state. States shall use these data and other information as deemed relevant by the state as the basis for their monitoring and evaluation of certified plans.

Certified plans must use the standards established by the Secretary and the state for all relevant administrative, financial, quality improvement, and public health activities covered under this Act. The Secretary and states shall ensure that any similar data reporting requirements for certified plans under other state and federal health programs are integrated with those established under this Act to the extent possible. In addition, the Secretary and states shall ensure that the resources and time required for certified plans to comply with the Secretary's and state's information standards are reasonable and not excessive.

Any state law that requires medical or health records, including billing information, to be maintained in written, rather than electronic, form shall be satisfied if such records are maintained in a manner consistent with the information system standards developed by the Secretary in this section.

Sec. 2745. National Childhood Immunization Database

To reduce missed opportunities for immunization with the goal of 100% age-appropriate immunization coverage for children, the Secretary shall establish a National Childhood Immunization Database as part of

the National Health Information System for Mothers and Children. The database shall contain up-to-date information regarding childhood immunization on every child enrolled in a certified plan under this Act. This database would ensure that current immunization information is available on a real time basis to health care providers who need the information to access appropriate immunizations. Information in this database shall be accessible to the child's enrolled plan electronically or by toll free telephone. If the child presents to a certified plan other than his/her enrolled plan, the presenting plan or public health authorities may access the child's immunization record if it is needed to assess the need for appropriate immunization. Certified plans shall ensure that electronic immunization records are brought up-to-date as required under the guidelines developed by the Secretary and the state.

All certified plans participating in a State program under this title and all other health plans not participating under this title but located in a participating State under this title and providing 10,000 or more childhood immunizations per year, shall participate in the National Childhood Immunization Database.

Nothing in this title shall be construed as preempting existing state or federal statues regarding disease reporting or reporting of other health-related data to local, state, and federal health authorities. However, in the design of the National Health Information System for Mothers and Children, the Secretary and the states shall integrate existing health data reporting requirements with the proposed system to the extent possible.

Within one year of enactment of this Act, the Secretary shall establish penalties for unauthorized use of data collected under the requirements of this Act, including the sale or transfer of data for commercial use or use of data for illegal activities.

Sec. 2746. Prevention, Monitoring, and Control of Fraud and Abuse

Within 180 days of the enactment of this Act, the Secretary and the U.S. Attorney General shall establish a federal program and develop state guidelines for preventing, monitoring, and investigating fraud related to this program. The duties of the federal program include assisting states in monitoring and control of fraud and abuse, and investigating and prosecuting individuals and certified plans whose activities cross state lines.

Within 180 days of the enactment of this Act, the Secretary and the U.S. Attorney General shall submit to Congress a legislative proposal for civil and criminal penalties for fraud and abuse or other violations by individuals and certified plans related to any aspect of this Act unless such penalties are already specified in this Act.

Prior to transfer of federal funds to a state, the state health department and state attorney general shall establish a system for preventing, monitoring, and investigating fraud and abuse that occurs within the state. The state program must have the authority to prosecute individuals or certified plans for criminal activities. This state program shall also solicit consumer feedback, investigate complaints and assist in the resolution of consumer complaints against certified plans. Such a state system may be integrated with existing systems for controlling Medicaid fraud and abuse. The state system shall have a formal mechanism for sharing information and working with its federal counterpart. The state system shall submit an annual report summarizing its activities to the program established by the Secretary and the U.S. Attorney General.

Federal or state guidelines developed and implemented under this section shall be developed in recognition of the differences among the various types of health plans and be applicable to all health plans.

Any funds recovered or fines collected related to fraud and abuse shall be deposited in the trust fund of the state where the fraud and abuse occurred. Funds recovered on a national or regional level shall be apportioned by the Secretary among the states involved.

Any certified plan, health care provider, or other individual or entity participating in a state or federal program under this Act, that has been found guilty of fraud or abuse, shall not be allowed to continue or renew a contract with a state or federal government program under this Act, or otherwise participate in a program under this Act, for a period not less than five years, unless there is compelling reason to allow such participation (e.g., in the case where the plan or provider is the only source of services in an area) as determined by the Secretary.

Sec. 204. Grants to Improve the Health of Children and Pregnant Women

Amends title XXVII of the Public Health Service Act.

Sec. 2751. Establishment of Program and Eligible Activities

Authorizes the Secretary to use monies in the Trust Fund to award grants to states, universities, and other nonprofit organizations, for the following purposes: increasing capacity of the primary care health system; developing and enhancing enabling services; increasing access to health services in rural and underserved areas (including the use of telecommunications and computer technology such as telemedicine and information systems); supporting school-based health programs; enhancing core public health functions of state and local health departments; supporting health promotion and disease prevention, including population- and community-based health assessments and interventions; supporting biomedical, social science, health policy, and public health research; supporting pediatric- and maternal-specific quality assessment and outcomes research to improve health plan and program accountability including quality assessment of services for children with disabilities and chronic health conditions; development and implementation of clinical practice guidelines; and other purposes related to improving the health of children and pregnant women.

All funded activities must be primarily targeted, but need not be exclusively targeted towards children (under 21 years) or pregnant women.

All grant proposals will be evaluated on a competitive basis. The Secretary shall ensure, however, that at least 50% of funds awarded annually to states, universities, or organizations within a specific state, support activities that are not directly related to the delivery of health care services, such as research, public health, community health, and health promotion and disease prevention activities.

The Secretary may elect to designate existing Department of Health and Human Services agencies to administer the grants in this title. However, the Secretary shall ensure that any monies transferred from the Trust Fund are only used to support grant awards under this title, there is a full accounting of such monies, and that there is maintenance of effort regarding current federal grant funding for maternal and child health activities. In addition, the Secretary shall ensure that all federally-funded activities related to material and child health are coordinated and integrated to the extent possible, and that such activities are consistent with the strategic plan outlined by the Secretary in section 2754.

Sec. 2752. Eligibility and Application Process

To be eligible for funding, states must be a participating state under this Act, and universities and other nonprofit organizations must be located in a participating state. There shall be a single application procedure for all grants awarded under this title.

Sec. 2753. Matching of Federal Funds and State Maintenance of Effort

There is a matching of federal funds requirement for grants awarded under this title. States, universities, and nonprofit organizations shall match federal funds on a 1:9 basis (States or other applying entities shall provide $1 in funding for every $9 in federal funds). Matching funds may be in cash or in kind such as equipment, facilities, personnel, or services. Private sector funds may be solicited to partially or fully subsidize matching funds on behalf of states, universities, and nonprofit organizations.

States receiving grant awards under this title shall also be subject to a maintenance of effort requirement that the state maintains a level of state funding for the activity covered by the grant award that is at least equal to the level in the year previous to the grant award for the duration of the grant award.

Sec. 2754. Development of Priority Areas and Funding Criteria

Within 180 days of this Act's enactment, the Secretary shall develop a five-year strategic plan that outlines the national priorities for maternal and child health, including priority areas for funding, short- and long-term objectives, specific criteria for determining merit of funding proposals, standards for monitoring and evaluating funded activities (including outcome and performance measures), and administrative procedures for processing proposals. In addition, the strategic plan should specifically review existing federal programs related to maternal and child health and develop national priorities for research, population-based activities, and other activities outlined in section 2751.

In determining the evaluation criteria for funding proposals, the Secretary shall consider the following attributes: technical and scientific merit, relative need of the population or geographic area targeted, potential positive impact of activity on advancing the goals of the Healthy People 2000 objectives, innovation in program design and cost effectiveness, application of current scientific and medical knowledge, integration with existing similar health programs or research, quality control and program accountability, and other attributes deemed to be relevant by the Secretary.

Sec. 2755. Coordination and Integration of Funded Activities

The Secretary shall ensure that the functions of funded activities are fully integrated and coordinated with similar existing federally funded activities, and the states shall ensure that funded activities are fully integrated and coordinated with similar state and locally funded activities.

To ensure coordination of related activities and programs within the state, universities and other nonprofit organizations that apply for funds under this section must initially submit their proposal to the state for review and comment before submitting the proposal to the Secretary. Proposals submitted to the Secretary shall be accompanied by the state's comments and the submitting organization's response to the state's comments. All proposals must describe existing similar programs in the targeted community and describe how the proposed program will be coordinated and integrated with existing similar programs, including state Title V maternal and child health programs.

Sec. 2756. Annual Budget

The total annual budget for such grants shall not exceed 5% of the total federal funds transferred into the Trust Fund in that year.

Sec. 205. Responsibilities of Families, Certified Plans, Employers, States and the Federal Government

Amends Title XXVII of the Public Health Service Act.

PART G—RESPONSIBILITIES OF FAMILIES, CERTIFIED PLANS, EMPLOYERS, STATES, AND THE FEDERAL GOVERNMENT

Sec. 2761. Responsibilities of Families

Families with uninsured children under seven years of age and uninsured pregnant women are responsible for: enrolling their age-eligible children or themselves into a certified plan; paying their share of premiums and copayments; and assuming an active role and participating in the health care system to ensure that their children receive appropriate, high quality health care.

Sec. 2762. Responsibilities of Certified Plans

All certified health plans participating in state programs under this Act shall: be certified by their state and fulfill all requirements for such certification or recertification and participate in a national open enrollment period and allow for point-of-service enrollment.

In the case of families who have at least one eligible child enrolled in the plan and other children who are not eligible under this Act due to age limitations, also offer optional family enrollment for additional older children who are not eligible under this Act as a reasonable cost. (The premium subsidy, however, shall be calculated based on the prorated portion of the premium assessed for the eligible children. The family shall be responsible for the portion of the family premium amount in excess of that ordinarily assessed for the eligible children under this Act.)

In the case of a family that has at least one eligible child enrolled in the certified plan and one or more other children who are eligible for health services under Medicaid but not eligible for coverage under this title, offer health services under Medicaid for such other children in the family.

Not discriminate against persons during marketing, enrollment, or provision of services based on pre-existing conditions, genetic predisposition of health conditions, medical history, expected utilization of services or health expenditures, race, ethnicity, national origin, religion, age (within the eligible age group), gender, income, or disability. The plan must accept any applicant who is eligible within the geographic area served by the plan and may not deny enrollment to any eligible person except on the basis of documented plan capacity. In addition, in the case of currently enrolled individuals who are re-enrolling in the plan, such persons cannot be denied re-enrollment even on the basis of plan capacity.

Not use excessive pressure, misleading advertising or marketing, or other unethical practices to coerce or discourage certain persons or groups from enrolling into the plan or disenrolling from the plan.

Establish a system for collecting premiums and copayments; not drop an individual from the plan except in cases of failure to pay for premiums or copayments, fraud and abuse, or withdrawal of the health plan from the market. The plan must notify the state of its intention to drop an enrolled individual not later than 60 days before discontinuing the enrollee's coverage.

Not impose a waiting period before coverage begins and provide for and cover all health benefits as specified under sections 2721 and 2722, and shall consider the premium amount negotiated by the state under this Act to be the full premium. Other than authorized copayments, there shall not be any additional charges for covered services.

Not exclude coverage or deny care for any pre-existing conditions, congenital conditions, or genetic predispositions to conditions that are covered by the comprehensive benefits package.

Ensure that a choice of primary care providers is available, and that primary care and preventive services are readily available and convenient to all plan members within the geographic area served, and that emergency services are available on a 24-hour basis, seven days a week.

Establish a program for credentialing and performance monitoring of providers. In addition, adequate health provider to enrolled ratios shall be established.

Provide strong, comprehensive preventive health and patient education services.

Ensure that the special health needs of children with disabilities or chronic health conditions are adequately met. If sufficient capacity to deliver health services for such children do not exist within the certified plan, including pediatric specialty and subspecialty care, the plan must enter into agreements with such providers or facilities to provide appropriate care.

To the extent that such resources or services are not available within the plan, provide access to an integrated child and maternal health care network, which consists of a network of providers who together can provide for the full continuum of health care, including preventive, primary, secondary, tertiary, rehabilitation, chronic and long-term care, home care, and hospice care. This network must specifically include access to pediatric and maternal specialty and subspecialty care. In areas covered by the plan, the plan shall enter into cooperative agreements with providers or facilities to provide the continuum of care if resources to provide such care are not available within the plan. If medically-indicated subspecialty care is not available within the geographic area, the plan shall provide transportation to the nearest appropriate facility.

Cover emergency care obtained in out-of-area or out-of-state facilities as long as the health condition was certified to be an emergency by the attending physician or could have been reasonably assumed to be an emergency by the family; and cover deliveries of newborns at nonhospital facilities in areas where such facilities are available.

Make a reasonable effort to provide language translation services in areas where languages other than English are relatively common.

Implement disincentives (e.g., high copayments) for inappropriate use of emergency rooms for nonemergency care; and provide incentives (e.g., reduced premiums, premium rebates, additional services) for enrollees and their families to follow medical and public health recommendations for immunizations, prenatal care, health behaviors, or other preventive health guidelines.

Implement an information system to collect and report data as specified in sections 2744 and 2745; implement a quality assessment and improvement program and utilization review program as specified in section 2743; and within the guidelines developed by the state, submit an annual evaluation and quality improvement plan, including an evaluation of the plan's cost containment measures, assurance of quality care, impact on the health status of the enrolled population (including outcome measures and process objectives), a financial statement, proposed changes in premium rates, and other relevant changes to the plan. The state shall provide guidance to certified plans on the elements of an acceptable annual evaluation and quality improvement plan. The state may use the annual evaluation and quality improvement plan as the basis for recertification of plans.

Establish a program for consumer feedback and resolution of consumer complaints that includes specified time frames for decision. The program shall be clearly documented and made available to all enrollees.

In consultation with local health departments and maternal and child health programs under title V of the Social Security Act, establish, support, or substantially participate in a community-based maternal and/or child health program in the coverage area served by the plan.

Comply with any other relevant state or federal regulations

In order to minimize regulatory burden and potentially duplicative standards and regulations, a certified plan shall be considered as fulfilling a requirement or complying with a standard under this Act, if the plan is already meeting an existing state or federal requirement or standard that has been deemed to be identical or at least as effective as that specified under this Act, by the state or the Secretary (as appropriate).

The requirements and guidelines specified in this Act shall not apply to health plans that do not participate in a state program under this Act, and shall not apply (unless the plan elects for such requirements to apply), to the care and treatment of individuals in the plan who are not enrolled in the state program under this Act.

Sec. 2763. Responsibilities of Employers

Under this Act, employers shall: in the case of an employer who provides health benefits to pregnant women, not drop such coverage as result of this Act; and in the case of an employer who provides health benefits to employee dependents under seven years of age, not drop such coverage unless the employer agrees to pay the temporary maintenance-or-effort fee specified in section 2771. The employer is restricted from dropping such coverage until 180 days after the implementation date of the State program.

Sec. 2764. Responsibilities of States

Under this Act, participating states shall:

Develop and submit an approved initial five-year strategic plan and annual evaluation and quality improvement plans to the Secretary.

Develop a process for certifying and re-certifying health plans under this Act. The criteria for certification shall include, but are not limited to, an evaluation of minimum capital requirements, solvency requirements, and other standards related to financial stability, premium rating methodology, quality of services provided by the plan, and ability of the plan to provide required services. Certified plans shall be re-certified at least once every four years and when the plan has undergone significaticant changes such as a merger or other changes as determined by the state.

Establish a system whereby the state shall solicit and evaluate proposals from all interested certified plans operating in the state, and enter into cooperative agreements with certified plans. In order to maximize the choice of plans in an area, states shall ensure that any certified health plan that fulfills all state and federal requirements and guidelines under this Act, and is otherwise in good standing with the state, is allowed to participate in the state program. In addition, states may elect to enter into risk and/or profit sharing agreements with all or selected certified plans. States may elect to implement rate margin provisions in their agreements with certified plans such that, at the end of a contract period, certified plans

would be reimbursed by the state if incurred costs exceeded anticipated costs, and states could recover excess premiums from the plan if incurred costs are less than anticipated costs at the time of rate negotiation.

Implement risk adjustment methods, reinsurance mechanisms, or other mechanisms to ensure that state payments to specific certified plans are reflective of the expected utilization or expenditure rates of its enrollees and to protect specific certified plans that enroll a disproportionate share of persons who are expected to have higher than average utilization or expenditure rates.

Ensure that the plans' premium rating methodologies are well documented, actuarially sound, and minimize large variations in annual premium rates; and directly reimburse each certified plan for the state's portion of the negotiated premium for enrolling eligible children and pregnant women.

Ensure that the premiums negotiated with each certified plan applies for all eligible children and applies for all eligible pregnant women who enroll in the plan; negotiate with certified plans discounted premiums for families with multiple children (i.e., if the premium for a family with a single child enrolled is $100, the premium for a family with two children enrolled shall be less than $200); and ensure that negotiated premium rates fairly compensate certified plans for their services, but that such rates do not result in excessive profits by plans.

Offer families a choice of certified plans to the extent possible as long as at least one managed care plan for children is available to all eligible children regardless of geographic location.

May use financial or other incentives to encourage adequate coverage of rural and undeserved areas.

Develop and implement an open enrollment system during the national open enrollment period consistent with the guidelines specified in section 2715; and implement an outreach program to maximize enrollment of eligible individuals.

Ensure that certified plans accept any applicant who is eligible within the geographic area and do not discriminate or use coercive or unethical practices to encourage or dissuade enrollment into their plan.

In determining or approving the boundaries of coverage areas for certified plans, ensure that the coverage areas are consistent with the anti-discrimination standards specified in section 2762, and that such boundaries do not result in plans avoiding enrollment of persons who are expected to have higher than average rates of utilization or expenditures.

Impose a surcharge for persons who enroll outside of the regular open enrollment period as specified in section 2715; and monitor, evaluate, and address the potential barriers, including cost sharing requirements, that may prevent certain families, especially low income families, from enrolling in the state program or from obtaining health services after enrollment.

Develop a mechanism to assist families who cannot temporarily pay for premiums or copayments due to unexpected shortfalls in income; in the case of fee-for-service plans, the state must use pediatric- and maternal-specific prospective payment schedules for the reimbursement of services. Such schedules shall be negotiated between providers, plans, and the state.

Ensure that any relevant health services provided by local and state health departments are integrated and coordinated with the state program under this Act; and establish a state advisory council analogous to the national council under section 2742, except that the composition, organization, and other guidelines for the state council shall be determined by the state. The majority of state council members, however, must be comprised of health care providers and consumers.

Develop and implement standards for dissemination of consumer information provided by certified plans, provide consumers with comparative information on certified plans during the open enrollment period as requested, and set up hotlines and other mechanisms to assist consumers. Standards for consumer information must address services for children with special health care needs. States shall approve all advertising or other marketing materials from participating plans to ensure that such materials do not contain misleading or false information, and that the content of the material does not selectively encourage or selectively discourage certain groups of persons from enrolling in or disenrolling from the plan. States may elect to contract with non-government entities to perform these functions. States shall ensure that decisions regarding the approval of advertising or other marketing materials are made in a reasonable time frame and are based on consistently applied criteria as determined by the state.

Establish a mechanism for consumer feedback, collection of complaints, filing of grievances, and assist in the resolution of complaints against certified plans. Establish at least one alternative dispute resolution mechanism for malpractice claims filed by persons enrolled in a certified plan.

Address deficiencies in enabling services to ensure access to health services among underserved areas or populations; and ensure that primary care services are accessible by public transportation in municipalities that have a public transportation system.

For a period not less than five years, ensure that health facilities that provide care to large numbers of children, pregnant women, children with special health care needs, or low income persons, including non-investor-owned hospitals, community health centers, school-based health clinics, rural health clinics, and local health departments, are able to participate fully in the state program, are adequately reimbursed for their services, and are able to enter into agreements with certified plans. In cases where such providers are not affiliated with a certified plan, the state may encourage such providers to form their own certified plan.

Enter into agreements with bordering states to ensure that persons who need to travel across state borders for medically necessary health services that are otherwise not accessible may do so without penalty.

May elect to implement laws to take legal action against families who fail to enroll their children or who fail to pay premiums for children under their care who require medical treatment for a health condition.

Establish a system for preventing, monitoring, and controlling fraud and abuse as specified in section 2746. In addition, establish a system to prevent and address any conflicts of interest on the part of the state or its designated representatives regarding the award, management, or evaluation of contracts with certified plans, ensure that certified plans are in compliance with state and federal guidelines under this Act.

Sec. 2765. Responsibilities of the Secretary of HHS

Establish and administer the Trust Fund as specified in Part A; approve, evaluate, and monitor state programs as specified in Parts D and E; provide states with technical and or other assistance; establish, appoint, and support the Council as specified in section 2742; and establish and coordinate the national open enrollment period as specified in section 2715.

Develop a specific comprehensive benefits package as specified in section 2721; develop national guidelines for quality assessment and improvement programs and utilization review programs as specified in section 2743; and develop and implement the National Health Information System for Mothers and Children and the National Childhood Immunization Database as specified in sections 2744 and 2745.

Review, prioritize, integrate, and coordinate federally funded material and child health programs as specified in sections 2754, 2755, and 2773.

In conjunction with the US Attorney General, establish a system for preventing, monitoring, and controlling fraud and abuse as specified in section 2746.

Devleop and administer the grants program to support states, universities, and nonprofit organizations for the purposes of improving the health of mothers and children as specified in 2751.

Sec. 2766. Responsibilities of the US Attorney General

In conjunction with the Secretary of HHS, establish a system for preventing, monitoring, and controlling fraud and abuse as specified in section 2746.

Sec. 2767. Responsibilities of the Secretary of Agriculture

Establish and administer the Tobacco Alternatives Trust Fund as specified in section 9512

Sec. 205. Existing Programs

Amends title XXVII of the Public Health Service Act.

PART H—IMPACT ON EMPLOYERS AND EXISTING PROGRAMS

Sec. 2771. Impact on Employers

Employers are encouraged to, but not required to, provide or continue to provide comprehensive health services to their employees' dependent children. In participating states, employers who provide health benefits for an employee's dependent children at the time of enactment of this Act and drop their coverage of all children or children under seven years after the enactment of this Act, shall be subject to a temporary annual maintenance of effort fee, which will be deposited into the Trust Fund. The fee will be equivalent to 50% of the estimated annual cost of providing comprehensive coverage for all employee-dependent children. The annual fee shall be in effect for a period not to exceed five years.

In no case, however, shall the employer drop such coverage until 180 days after the implementation date of the respective state program. Employers shall not selectively drop coverage for specific employee-dependent children who have, or are expected to have, higher than average utilization or health care costs. Employers who provide pregnancy-related benefits for their employees and dependents shall continue to do so after the implementation of this Act. (The Pregnancy Discrimination Act of 1978 would remain in effect.) Funds from the temporary employer maintenance of effort fee shall be transferred by the Treasury of the United States into the Trust Fund.

Sec. 2772. Impact on Medicaid

In participating states, children under seven years and pregnant women who are enrolled in Medicaid shall be automatically enrolled into the respective state program under this Act, and all health benefits, including long-term and chronic care services for children with disabilities or chronic health conditions, shall be received under the state program. States may elect not to shift long-term and chronic care services for children with disabilities or chronic health conditions into the state program under this

Act, if the state can demonstrate that doing so would significantly compromise the quality of care for such children. However, states that elect not to shift long-term and chronic care services into the state program under this Act must develop health care coordination plans that integrate the various sources of health services for such children in consultation with state Title V maternal and child health programs. States may also elect to establish a transitional period to gradually phase in children with disabilities or chronic health conditions into the state program.

Federal Medicaid payments to states towards the care of children under seven and pregnant women in effect at the time of enactment of this Act shall be shifted to the Trust Fund. Except for the state-federal matching requirements specified in sections 102 and 503, there is no additional maintenance of effort required on the part of the states' Medicaid contribution towards the care of the targeted group.

There is no impact on the Medicaid program for noneligible children seven years of age and older under this Act. Applicable federal guidelines and payments to the state towards the care of these children shall remain in effect. States are required to maintain their effort towards the Medicaid program for children who are not eligible under this Act. There is no impact on the Medicaid program for states that do not participate under this Act.

Sec. 2773. Integration of Health Services and Impact on Existing Federal and State Government Health Programs

Every two years after the enactment of this title, the Secretary, in consultation with the Maternal and Child Health Bureau, shall review all federal maternal and child health programs. Participating states, acting through a single designated lead agency, in consultation with state health programs authorized under Title V of the Social Security Act, shall review state-funded programs that provide health services to children under seven and pregnant women to ensure that these programs are integrated and coordinated with the services covered by this Act. If the Secretary determines that specific functions performed by federal health programs under review are duplicated or made extraneous by the benefits provided under this Act, then the Secretary may recommend to Congress that the federal program, or portions of the program, be eliminated or reduced. The most recent year appropriation for the program or portion of the program shall be transferred to the Trust Fund. Similarly, states shall deposit any savings from duplicated state-funded services to the state-specific trust fund (this does not apply to the state contribution to the Medicaid program).

In all cases, however, the Secretary and the states shall ensure that federal Title V funds and matching state funds are retained within existing programs to meet the needs of children over seven years, and eligible children and pregnant women who do not participate in the state program under this Act, to perform core public health functions, to coordinate care for children with special health care needs, and otherwise to meet needs identified through Title V needs assessments consistent with Healthy People 2000 objectives.

Sec. 207. General Provisions

Amends title XXVII of the Public Health Service Act.

PART I—GENERAL PROVISIONS

Sec. 2781. Definitions

For purposes of this legislation, the following are definitions of terms used:

Adjusted family gross income—means the sum of all adjusted gross income of all family members of the child or pregnant women involved in the most recent tax year. In the case of a pregnant woman, such term also includes the adjusted gross income of the pregnant woman.

Advisory council—means the National Advisory Council for Mother's and Children's Health established under section 2742.

Certified plan—means the agreement entered into by an organized health care entity to cover or provide specified health care services under State and Federal guidelines under this title. Organizations that may enter into such agreement shall include health maintenance organizations, preferred provider organizations, point-of-service plans, fee-for-service plans, indemnity insurance plans, hybrids of such plans, and any other organized health care entities that fulfill the requirements of this title.

Child—In general means an individual who has not attained the age of 21. References in this title to a child shall be construed to mean, in the case of a State program that does not have an expanded access component, an individual under 7 years of age and, in the case of a State program that offers an expanded eligibility component, an individual under 21 years of age.

Comprehensive benefits package—means either the benefits package for children or the benefits package for pregnant women, as the case may be, developed by the Secretary under section 2721.

Core public health functions—means the following: (A) The collection and analysis of public health-related data and the technical aspects of developing and operating information systems. (B) Activities related to protecting the environment and ensuring the safety of workplaces, food, and water. (C) Investigation and control of adverse health conditions and exposures to individuals and the community. (D) Information and education programs to prevent adverse health conditions. (E) Accountability and health care quality improvement activities. (F) The provision of public health laboratory services. (G) Training for public health professionals.

(H) Health care leadership, policy development, coalition-building, and administrative activities. (I) Integration and coordination of prevention programs and services of health plans, community-based providers, government health agencies, and other government agencies that affect health including education, labor, transportation, welfare, criminal justice, environment, agriculture and housing. (J) Research on effective and cost-effective public health practices.

Enabling services—means community outreach, health education, transportation, language translation, and other services that facilitate or otherwise assist eligible individuals to receive health service provided under this title.

Family—means a pregnant woman residing alone or a group of two or more individuals who reside together in the same housing unit. Such individuals may be related (such as parent and child) or unrelated (such as guardian and foster child) individuals. In the case of children who do not reside with their parents, such term may also include individuals (such as family friends) or entities (such as government agencies) that have primary responsibility for the health and welfare of the child.

Information system—means the National Health Information System for Mothers and Children established under section 2744.

Participating state—means any of the 50 States, the District of Columbia, Puerto Rico, and any of the trust territories of the United States, that elects to participate in the program established under this title.

Poverty level—means the income official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Service Block Grant Act (42 USC 9902(2)) applicable to a family of the size involved.

Tobacco alternatives trust fund—means the trust fund established under section 9512 of the Internal Revenue Code of 1986.

Trust fund—means the National Health Trust Fund for Mothers and Children established under section 9551 of the Internal Revenue Code of 1986.

Sec. 2782. Authorization of Appropriations

From the Trust Fund, the Department of Health and Human Services and the Department of Justice is hereby authorized such sums as may be necessary for each of the fiscal years 1996 through 2000 to develop and implement the requirements of this Act.

Sec. 208. Unlawful Use of Tobacco Products Manufactured for Export

Amends section 2341 of title 18 USC.

Any person or business entity who illegally purchases, sells, distributes, or smuggles (or assists in these activities), tobacco products that are manufactured in the US and designated for export only shall be subject to a fine of $10,000 or an amount equal to five times the tax imposed under this Act, in addition to any taxes ordinarily assessed for such tobacco products. Any equipment or vehicles (includes ships, aircraft, motor vehicles, etc.) used to illegally transport export-designated tobacco products in the US shall be confiscated and deemed to be the property of the US. Any penalties recovered from successful prosecution of these illegal activities, including the proceeds from sale of related equipment and vehicles, shall be transferred to the Trust Fund.

TITLE III—FINANCING PROVISIONS

Sec. 301. Increase in Taxes on Tobacco Products

Amends section 5701 of IRS Code 1986.

Sec. 5701. Rate of Tax

Federal excise taxes on cigarettes offered for sale in the US shall increase over the existing tax ($0.24/pack) by $1.50/pack. There shall also be an equivalent tax increase for smokeless tobacco products calculated on an equivalent retail unit basis (e.g., $1.50 increase per package of chew tobacco and similar increase per tin of snuff). In addition, an equivalent increase shall apply to cigars, cigarette papers, cigarette tubes, or other products that are used to ''roll your own'' cigarettes. The total federal excise tax shall be indexed to the CPI in subsequent years and recalculated on an annual basis.

Sec. 302. Assistance to States Adversely Impacted by Tobacco Tax

Amends subchapter A of chapter 98 of the Internal Revenue Code of 1986.

Sec. 9512. Tobacco Alternatives Trust Fund

To minimize the potential economic impact of the increased tax on tobacco farmers and tobacco industry workers, the Tobacco Alternatives Trust Fund is established at the time of enactment and shall exist for a period not to exceed five years. Every year, 2% of the annual federal revenue from the increased tobacco tax will be deposited into the Tobacco Alternative Trust Fund. Monies from this Fund shall be allocated on an annual basis by the Secretary of Agriculture to states adversely affected by the tobacco tax.

States that are significantly impacted by the tax shall develop an initial five-year strategic plan for assisting tobacco farmers and tobacco manufacturing/production workers who are adversely affected by the increased tobacco tax. The strategic plan must be approved by the Secretary of Agriculture before any federal monies are provided to the

state. The Secretary shall allocate funds on an annual basis to each state based on a formula that takes into account the number of farmers and workers affected in that state and the severity of the economic impact. Monies from the Fund may be used for direct payments to tobacco farmers or workers, assisting farmers in converting to alternative crop and livestock production, infrastructure and business-related financing in impacted areas with significant numbers of tobacco-related jobs, job training, and other economic development projects that the state considers worthwhile upon approval of the Secretary of Agriculture.

Each year the states receiving monies from the Fund shall submit to the Secretary of Agriculture an annual report documenting the economic impact of the tax, an evaluation of their program activities, and their improvement plan for the coming year. Upon approval by the Secretary, the state's annual allocation from the Fund shall be transferred to the state.

Administrative costs for this program are limited to 5% of annual program expenditures and shall be offset by monies in the Tobacco Alternatives Trust Fund.

Sec. 303. Designation of Overpayments and Contributions for the National Health Trust Fund for Mothers and Children

Amends subchapter A of chapter 61 of the Internal Revenue Code of 1986.

PART IX—DESIGNATION OF OVERPAYMENTS AND CONTRIBUTIONS FOR THE NATIONAL HEALTH TRUST FUND FOR MOTHERS AND CHILDREN

Sec. 6097. Amounts for the National Health Trust Fund for Mothers and Children

Beginning with the first full tax year subsequent to the enactment of this Act, every individual (or couple in the case of joint returns) filing a tax return shall have the option of making a contribution to the Trust Fund through either electing to donate any portion (not less than $1) of a tax overpayment for that year, or electing to make a cash contribution to be transferred to the Trust Fund. These mechanisms for contributions through tax returns shall not apply in the second year subsequent to any year where the total contributions designated from tax returns are less than $5 million.

In addition, any individual, corporation, foundation, or private sector entity may elect to donate monies to the Trust Fund or to one of the state trust funds established under this Act at any time. Charitable donations to the state or national trust funds shall be considered tax deductible donations to the extent allowed by federal and state tax laws.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I want to commend the distinguished Senator from Illinois for the presentation he made, and for the effort he is making to cover pregnant women and children. I certainly will look at the legislation he has presented.

I think it is a great help in this ongoing debate that we are having that the Senator has stepped forward with this legislation, which seems to me to hold a lot of promise.

As he mentioned, always the funding part is difficult. But, nonetheless, I agree with the source of funding from the increased tax on cigarettes. I am not sure everybody else will enthusiastically embrace it. But I think the Senator mentioned Rhode Island and what we are doing to fund this program. There may have to be, in fact, an increase in the price of cigarettes, which will hopefully keep them away from those who are price sensitive in connection with purchasing that kind of deleterious substance.

So, again, I think it is wonderful what the Senator has done. I take it that the Senator has not yet introduced that legislation.

Mr. SIMON. I just introduced it. I welcome any suggestions for a modification. I welcome having JOHN CHAFEE, as well as the distinguished junior Senator from Utah, as cosponsors, if at any point they feel comfortable doing that.

Mr. CHAFEE. I will certainly take a good look at it. I will get a copy either from the Senator's office or from the reprint here, and take a good look at it.

Mr. SIMON. I thank the Senator.

ADDITIONAL COSPONSORS

S. 256

At the request of Mr. DOLE, the names of the Senator from Wisconsin [Mr. KOHL], and the Senator from Iowa [Mr. GRASSLEY] were added as cosponsors of S. 256, a bill to amend title 10, United States Code, to establish procedures for determining the status of certain missing members of the Armed Forces and certain civilians, and for other purposes.

S. 308

At the request of Mr. HATFIELD, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 308, a bill to increase access to, control the costs associated with, and improve the quality of health care in States through health insurance reform, State innovation, public health, medical research, and reduction of fraud and abuse, and for other purposes.

S. 327

At the request of Mr. HATCH, the name of the Senator from Colorado [Mr. CAMPBELL] was added as a cosponsor of S. 327, a bill to amend the Internal Revenue Code of 1986 to provide clarification for the deductibility of expenses incurred by a taxpayer in connection with the business use of the home.

S. 356

At the request of Mr. SHELBY, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of S. 356, a bill to amend title 4, United States Code, to declare English as the official language of the Government of the United States.

S. 440

At the request of Mr. WARNER, the name of the Senator from Texas [Mrs. HUTCHISON] was added as a cosponsor of S. 440, a bill to amend title 23, United States Code, to provide for the designation of the National Highway System, and for other purposes.

S. 448

At the request of Mr. GRASSLEY, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of S. 448, a bill to amend section 118 of the Internal Revenue Code of 1986 to provide for certain exceptions from rules for determining contributions in aid of construction, and for other purposes.

S. 526

At the request of Mr. GREGG, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 526, a bill to amend the Occupational Safety and Health Act of 1970 to make modifications to certain provisions, and for other purposes.

S. 555

At the request of Mrs. KASSEBAUM, the name of the Senator from Louisiana [Mr. BREAUX] was added as a cosponsor of S. 555, a bill to amend the Public Health Service Act to consolidate and reauthorize health professions and minority and disadvantaged health education programs, and for other purposes.

S. 585

At the request of Mr. SHELBY, the names of the Senator from Mississippi [Mr. LOTT], the Senator from Minnesota [Mr. GRAMS], and the Senator from North Carolina [Mr. HELMS] were added as cosponsors of S. 585, a bill to protect the rights of small entities subject to investigative or enforcement action by agencies, and for other purposes.

S. 641

At the request of Mrs. KASSEBAUM, the name of the Senator from Ohio [Mr. DEWINE] was added as a cosponsor of S. 641, a bill to reauthorize the Ryan White CARE Act of 1990, and for other purposes.

S. 770

At the request of Mr. DOLE, the name of the Senator from Colorado [Mr. CAMPBELL] was added as a cosponsor of S. 770, a bill to provide for the relocation of the United States Embassy in Israel to Jerusalem, and for other purposes.

S. 830

At the request of Mr. SPECTER, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 830, a bill to amend title 18, United States Code, with respect to fraud and false statements.

AMENDMENT NO. 1283

At the request of Mr. WELLSTONE his name was added as a cosponsor of amendment No. 1283 proposed to S. 652, an original bill to provide for a procompetitive, de-regulatory national policy framework designed to accelerate rapidly private sector deployment of advanced telecommunications and information technologies and services to all Americans by opening all telecommunications markets to competition, and for other purposes.

SENATE RESOLUTION 134—RELATIVE TO THE SECRETARY OF THE SENATE

Mr. DOLE (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 134

Whereas Sheila P. Burke faithfully served the Senate of the United States as Secretary of the Senate from January 4, 1995 to June 8, 1995, and discharged the difficult duties and responsibilities of that office with unfailing devotion and a high degree of efficiency; and

Whereas since May 26, 1977 Sheila P. Burke has ably and faithfully upheld the high standards and traditions of the staff of the Senate of the United States for a period that includes 10 Congresses, and she continues to demonstrate outstanding dedication to duty as an employee of the Senate; and

Whereas through her exceptional service and professional integrity as an officer and employee of the Senate of the United States, Sheila P. Burke has gained the esteem, confidence and trust of her associates and the Members of the Senate: Now, therefore, be it

Resolved, That the Senate recognizes the notable contributions of Sheila P. Burke to the Senate and to her country and expresses to her its appreciation and gratitude for her long, faithful and continuing service.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to Sheila P. Burke.

SENATE RESOLUTION 135—AUTHORIZING THE REPRESENTATION OF SENATE EMPLOYEES BY LEGAL COUNSEL

Mr. DOLE (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 135

Whereas, the plaintiffs in *Schneider* v. *Schaaf*, Civ. No. 95–C–1056 and *Schneider* v. *Messer*, Civ. No. 93–C–124, civil actions pending in state court in North Dakota have sought the deposition testimony of Ross Keys, a former Senate employee who worked for Senator Kent Conrad and documents from Senator Conrad's office;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate is needed for the promotion of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges of the Senate;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(2), the Senate may direct its counsel to represent employees of the Senate with respect to requests for testimony made to them in their official capacities: Now, therefore, be it

Resolved, That Ross Keys is authorized to produce records and provide testimony in the cases of *Schneider* v. *Schaaf* and *Schneider* v. *Messer*, except concerning matters for which a privilege should be asserted.

SEC. 2. The Senate Legal Counsel is authorized to represent Ross Keys in connection with the testimony authorized by section 1 of this resolution.

AMENDMENTS SUBMITTED

TELECOMMUNICATIONS COMPETITION AND DEREGULATION ACT OF 1995 COMMUNICATIONS DECENCY ACT OF 1995

PRESSLER AMENDMENTS NOS. 1422–1423

Mr. PRESSLER proposed two amendments to the bill, S. 652 to provide for a procompetitive, deregulatory national policy framework designed to accelerate rapidly private sector deployment of advanced telecommunications and information technologies and services to all Americans by opening all telecommunications markets to competition, and for other purposes; as follows:

AMENDMENT NO. 1422

In section 623(m)(2) of the Communications Act of 1934 (as added by section 204 of the bill on page 70), strike ''and does not, directly or through an affiliate, own or control a daily newspaper or a tier 1 local exchange carrier.'' And insert ''and is not affiliated with any entity or entities whose gross annual revenues in the aggregate exceed $250,000,000.''.

In section 262 of the Communications Act of 1934, as added by section 308 of the bill—

(1) Strike subsection (e) and insert the following:

''(e) GUIDELINES.—Within 18 months after the date of enactment of the Telecommunications Act of 1995, the Architectural and Transportation Barriers Compliance Board shall develop guidelines for accessibility of telecommunications equipment and customer premises equipment in conjunction with the Commission the National Telecommunications and Information Administration and the National Institute of Standards and Technology. The Board shall review and update the guidelines periodically.

(2) Strike subsection (g) and insert the following:

''(g) REGULATIONS.—The Commission shall, not later than 24 months after the date of enactment of the Telecommunications Act of 1995, prescribe regulations to implement this section. The regulations shall be consistent with the guidelines developed by the Architectural and Transportation Barriers Compliance Board in accordance with subsection (e).

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. PRESSLER. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet at 10 a.m. on Thursday, June 15, 1995, in open session, to receive testimony on the current situation and policy options in Bosnia.

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

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. PRESSLER. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet for a hearing on affirmative action in employment, during the session of the Senate on Thursday, June 15, 1995 at 2 p.m.

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

COMMITTEE ON RULES AND ADMINISTRATION

Mr. PRESSLER. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be permitted to meet on Thursday, June 15, 1995 for a hearing on the Election Commission's budget authorization request for fiscal year 1996.

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

SUBCOMMITTEE ON HOUSING OPPORTUNITY AND COMMUNITY DEVELOPMENT

Mr. PRESSLER. Mr. President, I ask unanimous consent that the Subcommittee on Housing Opportunity and Community Development, of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, June 15, 1995, to conduct a hearing on the administration's proposal to restore section 8 rents to market rates on multifamily properties insured by FHA.

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

SUBCOMMITTEE ON PRODUCTION AND PRICE COMPETITIVENESS

Mr. PRESSLER. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry, Subcommittee on Production and Price Competitiveness be allowed to meet during the session of the Senate on Thursday, June 15, 1995 at 9 a.m., in SR–332, to discuss commodity policy.

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

SUBCOMMITTEE ON TERRORISM, TECHNOLOGY, AND GOVERNMENT INFORMATION

Mr. PRESSLER. Mr. President, I ask unanimous consent that the Subcommittee on Terrorism, Technology, and Government Information for the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, June 15, 1995, at 9:30 a.m. to hold a hearing on the militia movement in the United States.

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

ADDITIONAL STATEMENTS

TRIBUTE TO LINDSEY NELSON

Mr. THOMPSON. Mr. President, Lindsey Nelson, Tennessean, died this week. He left behind a rich national heritage in broadcasting matched by very few in our history. During his life he was voted by his peers into the Baseball Hall of Fame at Cooperstown; the Broadcasters' Hall of Fame; and the Pro Football Hall of Fame in Canton, OH.

He richly deserved this recognition for his remarkable achievements in sports broadcasting.

After working in administration at NBC in New York City for a number of years, Mr. Nelson took to the airwaves and started his career in broadcasting.

In 1962, he became the announcer for the just-formed New York Mets, where he remained for 17 years. Working with Ralph Kiner and Bob Murphy, he broadcast the Miracle Mets' World Series season of 1969.

Later he became the voice of the San Francisco Giants. He also broadcast Notre Dame football during his distinguished career, along with many of our Nation's great sporting events, including the Masters Golf Tournament and the Cotton Bowl.

But, as distinguished as Lindsey Nelson's career was at the national level, he was first and foremost a son of Tennessee. He graduated from the University of Tennessee in 1941. While in UT he tutored English to football players, and planned to go into sports writing.

However, the Second World War intervened, and Mr. Nelson joined the Army and saw battle duty in Italy, Germany, and France. He won seven battle campaign stars and a Bronze Star.

After the war he did the play-by-play for the University of Tennessee football team. In 1949 he founded the Vol Network, and became the university's sports information director in 1951. He also did announcing for the school's basketball games and the Knoxville Smokies baseball team.

The university's baseball stadium, one of the finest in the Nation, was named after Lindsey Nelson.

For a number of years Mr. Nelson wrote a column for The Knoxville News-Sentinel.

Lindsey Nelson loved Tennessee. He loved its State university in Knoxville. Wherever he served in his long and productive life, he was never far from his beloved State and school.

Tennessee lost one of its most favored and distinguished sons with the passing of Lindsey Nelson. As his old friend Ben Byrd, former sports editor of The Knoxville Journal, said on hearing of Mr. Nelson's death: ''A lot of people knew him, and without exception they all loved him. He was just something special.''

I join all of Lindsey Nelson's many friends in Tennessee and around the world in mourning his passing.●

RETIREMENT OF RICHARD A. GIESSER, CHAIRMAN OF THE MASSACHUSETTS PORT AUTHORITY

● Mr. KERRY. Mr. President, I rise to pay tribute to Richard A. Giesser as he leaves office after 10 years as chairman of the Massachusetts Port Authority.

Mr. President, I have known Dick Giesser as a friend and adviser for many years. He is one of those all-too-rare individuals who balanced a successful career in business with a deep commitment to public service. I have no doubt that his service to the public will continue long beyond his tenure at the Massachusetts Port Authority.

Dick Giesser will be remembered, not only as the longest serving chairman of the port authority, but as a chairman who worked tirelessly to build MassPort's strength while providing safe and efficient service to the public. Under his leadership MassPort put the highest premium on safety, building inclined runway safety ramps at Logan International Airport and developing state-of-the-art fire and rescue facilities.

Mr. Giesser was a key architect of the Logan Airport modernization plan, now known as Logan 2000, which will enable Logan Airport to meet the ever-increasing demands of the regional integration into the global economy.

In the meantime, Dick Giesser kept faith with communities surrounding Logan Airport, by pioneering noise rules that alleviate the impact of air traffic over East Boston and Winthrop. He was instrumental as well in providing MassPort's support to the adjoining city of Chelsea so that Chelsea could climb back from bankruptcy and regain its fiscal stability.

Under Dick Giesser's guidance in MassPort became an important promoter of New England companies in international trade. During his tenure the authority hosted the successful Sail Boston exhibition, which showcased Boston Harbor and Massachusetts to the world, and with his leadership MassPort launched a broad effort to restore marine-related industries to the harbor.

Dick Giesser is proud that the Massachusetts Port Authority achieved a AA bond rating for the first time during his tenure. I am sure he is even prouder that he leaves MassPort a stronger agency, capable of meeting the demands of the 21st century without turning its back on its neighbors.

Mr. President, once again, I salute Richard Giesser for his service to MassPort, to Massachusetts, and to New England. He exemplifies the importance of public service, but beyond that, he is a friend, and I join with my colleagues and the people of Massachusetts and New England in wishing him well.●

TRIBUTE TO THEO POZZY

● Mr. COHEN. Mr. President, I rise today to pay tribute to Theo J. Pozzy, a close friend of mine who passed away on May 29 at the age of 94. Theo was a longtime community volunteer in my hometown of Bangor and was revered by everyone in the community.

In 1919, while still a teenager, Theo came to the United States from France. Even toward the end of his life, his voice contained the telltale sign of a French accent. His love for his adopted country, however, could not have been stronger.

Theo served admirably in World War II under the command of Gen. Douglas MacArthur. After the war, he helped carry out the Marshall plan in Europe, working closely with Ambassador Averill Harriman. On the recommendation of French President Charles DeGaulle, Theo was awarded the French Medal of the Legion of Honor for his work abroad.

After returning from Europe, Theo dedicated much of his life to helping others through volunteer work. Toward the end of his life, he was very active with programs that helped individuals cope with drug and alcohol addictions, and he was the treasurer of the Eastern Regional Council on Alcohol and Drug Abuse in Bangor.

Some may ask what kept Theo going all these years. After all, many people view their golden years as a time to relax, and they eagerly look forward to enjoying themselves after a lifetime of working for and rewarding others.

I truly think that Theo Pozzy knew nothing other than giving of himself. While most people slow down in retirement, Theo sped up. While many people are anxious to celebrate themselves, Theo celebrated others. While some ask for something in return for their charity, Theo was much more comfortable as a benefactor than a beneficiary. These are some of the things that made him great.

Mr. President, I and many others lost a very close friend last month. Theo Pozzy will truly be missed.●

TRIBUTE TO CAPT. CAROLYN V. PREVATTE, U.S. NAVY

● Mr. GLENN. Mr. President, I rise to recognize the dedication, public service, and patriotism of Capt. Carolyn V. Prevatte, U.S. Navy. She has retired from active duty after more than 23 years of faithful service to our Nation. Captain Prevatte's contribution in formulating and implementing personnel policy helped to sustain the highest quality naval force we have had in the history of our armed services. Her strong commitment to excellence will have a lasting effect on the vitality of our modern warfighters. Her outstanding service commands the admiration and respect of her military colleagues and the Members of Congress.

Captain Prevatte is a native of the great State of Tennessee, but it can truly be said that she has spent her entire life in the service of our country since she is the daughter of a retired Army master sergeant. Commissioned in August 1971 at the Women Officers School, Newport, RI, Captain Prevatte served her first tour in Training Squadron 28, Naval Air Station, Corpus Christi, TX. Her department head tour followed at Naval Station, Annapolis, MD. While in Annapolis, she served as an assistant company officer on plebe detail for the U.S. Naval Academy class of 1980, the first to include women. In 1977, she commenced duty as Senior Instructor, Naval Reserve Officer Training Corps Unit, at the Texas A&M University. From there, she served as Operations Officer, Office of Legislative Affairs and as a Joint Manpower Planner, organization of the Joint Chiefs of Staff in Washington, DC. While on the joint staff, she was

assigned additional duty as a military social aide at the White House. Captain Prevatte was Executive Officer of Navy Recruiting District, Houston, TX, from April 1984 to December 1985.

In January 1986, Captain Prevatte returned to Washington, DC for assignment as Head, Fleet Command Support Branch, Naval Military Personnel Command [NMPC]. In April 1987, she became the Deputy Director, Restricted Line/Staff Corps Officer Distribution and Special Placement Division, NMPC, and in February 1989, she became Administrative Assistant/Aide to the Commander, NMPC. Captain Prevatte served as Commanding Officer, Personnel Support Activity, Pensacola, FL, from December 1989 through August 1991. She reported to the Bureau of Naval Personnel in September 1991, where she served as Director, Allocation Division (Pers–45) prior to her assignment to the staff of the Assistant Secretary of the Navy (Manpower and Reserve Affairs) as Executive Director, Standing Committee on Military and Civilian Women in the Department of the Navy in April 1993. Additionally, in June 1993, she assumed duties as Staff Director (Manpower) in the Office of the Deputy Assistant Secretary of the Navy (Manpower).

In March 1994, Captain Prevatte was selected to serve as Executive Assistant and Naval Aide to the Assistant Secretary of the Navy (Manpower and Reserve Affairs). She transferred to the Office of the Secretary of Defense in October 1994, where she served as Military Assistant to the Assistant Secretary of Defense (Force Management Policy) until her retirement.

A proven Navy subspecialist in Manpower, Personnel and Training Analysis, Captain Prevatte holds a bachelor of science degree from Middle Tennessee State University and a master of science degree from Texas A&M University. She was named an Outstanding Young Woman of the Year in 1982. Her military awards include the Legion of Merit, Defense Meritorious Service Medal, Navy Meritorious Service Medal with three gold stars, Navy Commendation Medal, and Navy Achievement Medal with one gold star.

Our Nation, the U.S. Navy, and her parents, Master Sergeant (Retired) and Mrs. James L. Prevatte, can truly be proud of the captain's many accomplishments. A woman of such extraordinary talent and integrity is rare indeed. While her honorable service will be genuinely missed in the Department of Defense, it gives me great pleasure to recognize Captain Prevatte before my colleagues and wish her all of our best wishes in her well deserved retirement.

HONORING NICHOLAS KALIKOW

● Mr. D'AMATO. Mr. President, I rise today to offer congratulations to a young man from New York City who is being honored this coming weekend in Washington, DC. This fine young man, Nicholas Kalikow, will receive the coveted silver medal award in the annual Scholastic Art and Writing Awards given by the Alliance for Young Artists and Writers. The ceremony will be held at the Corcoran Gallery of Art on Saturday, June 17, 1995.

I have had the privilege of knowing the parents of Nicholas Kalikow, Peter and Mary Kalikow, for many years. Peter is an accomplished businessman, philanthropist, and public servant. Recently, the Governor of New York appointed him to the board of the Port Authority of New York and New Jersey. Mary, in addition to being a caring mother, is deeply involved in the education of the learning disabled, serving on several board's dealing with this critical matter.

I have watched Nicholas grow to his early manhood and have been impressed with his talent and character. In addition to his other fine traits, he is a fine gifted writer, as evidenced by this award.

The Scholastic Art and Writing Awards, administered by the Alliance for Young Artists and Writers, Inc., has recognized young artists and writers for their achievements in the arts since 1923. It is the largest and longest running program of its kind in the Nation. The awards program attracts entries from all 50 States. Some of our country's most important artists and writers, including Truman Capote and Joyce Carol Oates, received their first recognition from this program.

Nicholas will receive the silver medal in the short story category. Many entries were received in this category and I am proud to say the Nicholas' story was selected as a winner.

Mr. President, I want to congratulate Nicholas, his parents, sister Kathryn, his grandmother Juliet, and her husband Steve Levene, all of whom will be present at the awards ceremony. I also want to congratulate the sponsors of this event, many of whom are New York based corporations and foundations, who recognize the achievements of our Nation's youth.●

ALTERNATIVE MEDICINE

● Mr. HARKIN. Mr. President, on March 2, I was honored to participate in a press conference on a report to the National Institutes of Health on Alternative Medicine: Expanding Medical Horizons. The report, which was prepared by an editorial committee chaired by Dr. Brian Berman and Dr. David Larson, represented more than two years of work by more than two hundred practitioners of alternative medicine. It is my sincere hope that the NIH carefully read this document and use some of its recommendations as the basis for a long-term strategic plan for the NIH's Office of Alternative Medicine (OAM).

For my colleagues' review, I am attaching the opening remarks of Dr. James Gordon. Dr. Gordon, a Clinical Professor in the Departments of Psychiatry and Family Medicine at Georgetown Medical School as well as the Chair of the Advisory Council of the Office of Alternative Medicine, presents an excellent overview of various kinds of alternative therapies now being used by America's health consumers along with a cogent justification for the expansion of NIH-sponsored investigations into those therapies. I have also included the short introductory remarks I made at the March 2 press conference. I ask that these remarks be printed in the RECORD.

The remarks follow:

ALTERNATIVE MEDICINE: A REPORT TO THE NATIONAL INSTITUTES OF HEALTH

[Statement by James S. Gordon, M.D.]

Welcome to the press conference on the Report to the National Institutes of Health on Alternative Medicine. This is a very happy and fulfilling occasion for us. For the last two and a half years the efforts and good will of more than two hundred people have gone into creating this Report.

I'm James S. Gordon, M.D.—a psychiatrist who uses a number of alternative therapeutic approaches in his medical practice. I'm a Clinical Professor in the Departments of Psychiatry and Family Medicine at Georgetown Medical School; Director of the Center for Mind-Body Medicine here in Washington; and Co-Chair of the section on Mind-Body Interventions of this report. I'm going to be the moderator for today as we discuss this Report and its origins, and present it to the National Institutes of Health.

I'll begin with an overview of the field and set the context for the development of this Report. I'll then introduce Senator Tom Harkin. Afterwards Brian Berman, M.D. and David Larson, M.D.—the Chair and Co-Chair of the Editorial Board of this Report—will speak briefly on the contents of this Report. Drs. Berman and Larson will present the Report to Alan Trachtenberg, M.D., the Acting Director of the Office of Alternative Medicine. Then, I'll introduce the Editorial Board and several other contributing writers, and we'll be available to discuss the Report and answer your questions on it.

I'd like to begin by giving you some background on the Report and putting it in the context of the field of alternative medicine. Let's start with the name ''alternative medicine.'' Alternative comes from the word ''other,'' and, indeed, this is the other medicine or, more accurately, the other medicines—the ones that are not taught in our medical schools or ordinarily practiced in our hospitals or clinics.

This use of this term is of recent origin. Over the last two decades, it is one of several that has been created to apply to new developments in medicine. Others include ''humanistic medicine;'' ''holistic'' or ''wholistic'' medicine; ''mind-body medicine;'' and ''complementary medicine.'' Holistic medicine refers to an understanding of the whole person in his or her total environment and the wide range of both conventional and alternative treatments that comprise the whole or comprehensive approach. Humanistic medicine emphasizes the interaction between those who come for help and those who offer it. Mind-body medicine suggests the importance of the two-way connection between mind and body and their integrity. Complementary medicine—the term of choice in Europe—implies a mutually enhancing effect between conventional medicine and other approaches.

Alternative medicine does indeed emphasize other practices. It calls attention deliberately to what is not, or not yet, conventional. It is a way for medicine and our society to observe and evaluate what is new or unfamiliar—to hold it at arm's length while deciding whether and how it may be used and integrated into our larger practice.

The emphasis on alternative medicine emerges now as part of the ongoing development of our medical system and practice. Thirty-five years ago the great microbiologist Rene Dubos suggested that we had begun to approach the limits of modern biomedicine, the surgical and pharmacological treatment of discrete disease entities. We still appreciate the great power of this approach in curing infections and treating acute, life-threatening illnesses, but we have also begun to see how difficult it is to use these methods to treat a variety of kinds of chronic illnesses. And we have begun to become painfully aware of the side effects and overuse of once promising therapies. During these last two decades both patients and physicians have also become increasingly impatient with the kind of care that they have been receiving and offering. They feel a lack of participation and partnership. According to polls taken by Gallup and the A.M.A. itself, there is a sense of alienation on both sides.

During this time, too, the world has become smaller and more intimate. We've become increasingly aware of the healing traditions of other cultures, and of approaches that have been ignored, neglected, marginalized, or scorned within our own culture. Finally, all of us have become acutely sensitive to the enormous financial drain that health care and our medical system are putting on our government and all of us. Health care required four percent of the Gross National Product when Dubos was writing in the 1950's. Now, it is almost fifteen percent. These forces have set the stage for a new approach and new techniques that have propelled alternative medicine to the front of many of our minds, and to a significant place in the on-going health care debate.

With an appreciation and experience of the potential of some of these new therapies, a sensitivity to the wisdom of traditional approaches, and a weather eye on financial realities, Senator Tom Harkin drew up legislation to create the Office of Alternative Medicine three and a half years ago. He and the Health Appropriations Sub-Committee gave that Office a mandate to study these alternative approaches; to find out which ones were most useful; and to make the information widely available.

This Report is one of the Office's first and most significant projects. It had its genesis in Chantilly, Virginia in 1992, when more than two hundred people—among them some of the most experienced and best known researchers and clinicians—gathered to begin to assess the state of the art. This effort was requested and supported, then and now, by the Office of the Director of NIH and by the Principal Deputy Directors—initially, Dr. Jay Moskowitz and, more recently, Dr. Ruth Kirschstein.

At that conference and since, participants divided into groups to work on the thirteen major sections that are covered in this Report. Later, as members of the smaller Editorial Board (most of whom are here today), they began to shape its overall structure, content and tone. Each of these sections are worked on by its own writers and editors. Then, the Editorial Board re-evaluated, discussed, debated, and re-wrote each section.

Each section has its different emphasis and tone. The one on mind-body medicine highlights the range of what we know about the mind's capacity to affect the body—the power of hypnosis, meditation, biofeedback and visual imagery. It provides thoroughgoing documentation of their efficacy and suggests now easily these approaches can and should be integrated into every aspect of medical care. The section on bioelectro-magnetism emphasizes the theoretical promise of this field and its possible role in explaining the underlying mechanisms of many alternative approaches, including acupuncture, homeopathy and laying on of hands. The section on pharmacological and biological therapeutics, by contrast, records the vital importance of studying therapies that are already widely used for such life-threatening conditions as cancer and AIDS—but have never received any critical attention.

In virtually all of the sections there are also common themes. To begin with we see the sometimes surprising number of authoritative articles. There are literally thousands of articles in peer reviewed journals on biofeedback, hypnosis and visualization. And there are also hundreds on herbal therapies, acupuncture, and homeopathy. We see as we read through the Report how deep the historical use of these practices is. Foods like ginger, onions and garlic which we are just beginning to validate scientifically have been used therapeutically for thousands of years. The same is true of spinal manipulation, herbal and mind-body therapies. We learn also how widely used these approaches are. In 1990, a third of the people in this country were using alternative medicines. It is likely that the number now is far higher. Worldwide, according to the World Health Organization, 80% of all people use these ''alternatives'' as their primary care.

We see, too, how cost effective these approaches can be. To cite several examples: (1) A study done at the Harvard Community Health Plan showed that six weeks of behavioral medicine teaching, including meditation, enabled patients to record savings of $171.00 each in the six months following the treatment. (2) A program of diet, mind-body therapies, yoga, exercise and group support, designed by Dean Ornish and his colleagues of the Preventive Medicine Research Institute, has been shown to reverse coronary heart disease in patients who would otherwise have had coronary by-pass surgery. This program costs approximately $5,000 for its one year—in contrast to the $40,000–$60,000 for each by-pass surgery. (3) At the University of Miami, Tiffany Field's use of several minutes of gentle massage several times a day to treat low birth weight babies not only helped the babies to gain 47 percent more weight per day in the hospital, but enabled them to leave the hospital six days sooner, at a savings of $3,000 per child.

Taken as a whole then, this Report is a unique compilation of authoritative information. It is also a remarkable bibliographical resource for those who wish to learn more—to prepare them to undertake research, select treatments or participate in their own care. Finally, it is a guidebook for the Office of Alternative Medicine—a map to help the Office to develop new directions in research and to undertake specific studies. It suggests new research methodologies and new programs of research training which need to be developed. It offers suggestions for new ways to collect and disseminate information; improve peer review; and enlarge and expand collaboration between conventional and non-conventional researchers and practitioners. It explores possible new links between the Office of Alternative Medicine and the rest of NIH, and between the OAM and the general public.

In the Report, there are a number of creative tensions—tensions that reflect the diversity of the medical enterprise and our own experience as people trained in conventional science and medicine, and interested in alternative medicine. I want to acknowledge these tensions because they give life and excitement to the Report.

Among them are tensions between conventional practitioners and researchers who have been outside the mainstream; between those applying conventional research methodologies to unconventional therapeutic methods and those searching for new, perhaps more appropriate, methodologies; between respect for the integrity of traditional healing systems and a need to study their effectiveness in a way that conventionally trained scientists and clinicians can appreciate; between the requirements of scientific precision and the need for easy, popular accessibility; between the hope for encyclopedic inclusion and the need for careful selection; between the demands of activists desperate for answers to desperate public health problems—among them AIDS, cancer, cardiovascular disease—and the requirements of rigorous, definitive research; between the huge number of tasks to be accomplished and the, so far, very small amounts of money ($5 million dollars out of NIH's total budget of $10 billion dollars) available to these tasks.

I hope and believe we are on our way to resolving these tensions in favor of our own greater understanding and the greater understanding and progress of the field as a whole.

This Report is a compilation of much of the best that is known and thought about alternative medicine. It is comprehensive and authoritative. It has many and varied recommendations for future directions for NIH. And, there is more as well.

All of us who have worked on it see this Report as an arrow towards the future as well as a progress report and a summing up. In the end, alternative medicine becomes most important as it helps, in the words of the subtitle of our Report, ''To expand medical horizons.'' Our goal is then to create a more comprehensive, responsive, humane and cost-effective system and practice of medicine and health care.

We are concerned with establishing a way of understanding and practicing which balances the power of definitive treatment with the authority of self care; which is both open to and critical about new approaches; which respects and enjoys the interplay of modern science and perennial wisdom.

Finally, then, this is a Report which goes beyond the opposition of either/or, conventional or alternative. It is a Report based on the concept of both/and, it is, we hope, a step on the way to a healing synthesis and a new synthesis of health care and medical practice—one which includes and is greater and more valuable than either its conventional or alternative halves.

Statement of Senator Harkin Alternative Medicine Press Conference

I want to commend Dr. Brian Berman and Dr. David Larson for their leadership in preparation of this report, Alternative Medicine: Expanding Medical Horizons, as well as the other members of the Editorial Committee present here today.

In October 1991, Congress provided $2 million to establish the Office of Alternative Medicine at the National Institutes of Health for two main reasons. First, to seriously investigate the potential of alternative medical practices; and second, to break down the bias in medical research against review of worthy treatments not now in the mainstream of conventional medicine.

Before this Office's creation, the NIH and the medical establishment failed to accept the important of alternative medicine. But the American people had already voted their

support for alternative therapies with their pocketbooks.

In 1990 alone, the New England Journal of Medicine found that Americans spent nearly $14 billion on alternative therapies, and made more visits to alternative practitioners than they did to primary care doctors.

American consumers are turning to these therapies because they're a less expensive and more prevention-based alternative to conventional treatments. And they're investing their dollars and their hopes without hard scientific evidence of the effectiveness—or ineffectiveness—of these alternative treatments. The American people have a right to know whether these alternative treatments are effective! That's why the Office of Alternative Medicine was created in the first place * * * to begin evaluating the efficacy, safety and potential cost effectiveness of alternative medical therapies. This is a health issue and a consumer issue, and the American people deserve nothing less!

Admittedly, since its creation three years ago, the Office has gotten off to a slow start. That's due to the continued skepticism of the medical establishment as well as the office's own mismanagement and lack of planning. It's for this reason that I'm so encouraged by the document being presented today to the NIH. This report, which represents more than 2 years of work by more than 200 practitioners and researchers of alternative medicine, should serve as the basis for a long-term strategic plan for the Office of Alternative Medicine.

It's my sincere hope that the NIH will carefully read this document and use some of its recommendations to put the office back on track, to begin operating efficiently and expand its investigations of alternative therapies.●

WHITE HOUSE CONFERENCE ON SMALL BUSINESS

● Mr. BUMPERS. Mr. President, I rise today to pay tribute to the just concluded 1995 White House Conference on Small Business, and especially to 18 of my fellow Arkansas who traveled a great distance at personal expense to participate in this conference. These delegates took time away from their work and their families to represent the Arkansas business community and are to be commended for their dedication and sacrifice. The Arkansas business owners who attended the conference as national delegates and their respective businesses are as follows:

J. Baker, Baker Car and Truck Rental, Inc., Little Rock; Bob Boyd, Boyd Music and Pro Sound, Inc., Little Rock; Greg Brown, Union Bancshares of Benton, Inc., Benton; Mel Coleman, North Arkansas Electric Cooperative, Salem; Dexter Doyne, Doyne Construction Company, Inc., North Little Rock; Bill Ferren, B–B–F Oil Company, Inc., Pine Bluff; Michael Jackson, Jackson Development Group, Brinkley; Thomas Jacoway, Artran, Inc., Springdale; Phyllis Kinnaman, P.K. Interiors, Little Rock; Charles Mazander, Mazander Engineered Equipment, Inc., Little Rock; Bruce McFadden, Improved Construction Methods, Inc., Jacksonville; Ron McFarlane, Process 1500, Inc., Little Rock; Mary Rebick, Copy Systems, Little Rock; Mary Gay Shipley, That Bookstore, Blytheville; Walter Thayer, Walter Thayer & Associates, Inc., Little Rock; Daniel Warmack, Warmack and Company, Fort Smith; and George White, Delta Vending Enterprises, West Helena.

Mr. President, the 1995 White House Conference was created by a Congress and President who care about small business—specifically, a Democratic Congress and a Republican President. In 1993, small business in this country was responsible for 50 percent of the gross domestic product, while employing 54 percent of the American work force. This conference was attended by approximately 2,500 delegates from around the country to discuss the most pressing issues facing small businesses.

Although political circumstances have changed, the President and Congress still deeply care about the views and interests of small business owners. Recently, President Clinton signed into law a reauthorization of the Paperwork Reduction Act of 1992, a law that was originally proposed by the first White House Conference on Small Business during the Carter administration in 1980.

Recognizing the important role that the Small Business Administration plays in promoting the entrepreneurial spirit, Congress has said no to proposals to abolish that agency. I am proud to say that last year SBA was directly responsible for stimulating $10.6 billion in small business growth while spending only $232 million of American taxpayer money—an amount, I might add, less than the taxes paid by three companies that started with SBA loans—Intel, Apple, and Federal Express.

It's time to listen again to the backbone of our country. In the weeks to come, the White House Conference delegates will be sending their suggestions for the future of small business to both the President and the Congress. On behalf of the 18 delegates from my home state, I urge this Congress to take a close look at their suggestions and debate the legislative agenda set forth by the 1995 White House Conference on Small Business.●

SEVENTH ANNUAL CHINESE HERITAGE FESTIVAL

● Mr. BRADLEY. Mr. President, our country is a remarkable mosaic—a mixture of races, languages, ethnicities and religions—that grows increasingly diverse with each passing year. Nowhere is this incredible diversity more evident than in the State of New Jersey. In New Jersey, schoolchildren come from families that speak 120 different languages at home. These different languages are used in over 1.4 million homes in my State. I have always believed that one of the United States greatest strengths is the diversity of the people that make up its citizenry and I am proud to call the attention of my colleagues to an event in New Jersey that celebrates the importance of the diversity that is a part of America's collective heritage.

On June 4, 1995, the Garden State Arts Center in Holmdel, New Jersey began its 1995 Spring Heritage Festival Series. This Heritage Festival program salutes many of the different ethnic communities that contribute so greatly to New Jersey's diverse makeup. Highlighting old country customs and culture, the festival programs are an opportunity to express pride in the ethnic backgrounds that are a part of our collective heritage. Additionally, the Spring Heritage Festivals will contribute proceeds from their programs to the Garden State Arts Center's Cultural Center Fund which presents theater productions free-of-charge to New Jersey's schoolchildren, seniors and other deserving residents. The Heritage Festival thus not only pays tribute to the cultural influences from our past, it also makes a significant contribution to our present day cultural activities.

On Saturday, June 17, 1995, the Heritage Festival Series will celebrate the 7th Annual Chinese Heritage Festival. Cochaired by Margaret Ko Ma of Murray Hill and Chia Wang Whitehouse of Freehold, this year's event promises to be a grand celebration alive with colorful costumes, traditional foods, ethnic arts and crafts and talented entertainers of Chinese descent. The day-long event will feature a martial arts display by the Shaolin Hung School, as well as traditional flower, lion and drum dancers and music from China will highlight the artistic program. Mall activities will also include an arts and crafts exhibit, vendors selling Chinese food and a fine arts exhibit will feature both traditional and modern Chinese art.

On behalf of all New Jerseyans of Chinese descent, I offer my congratulations on the 7th anniversary of the Chinese Heritage Festival.●

SKI AREA FEE STRUCTURE REFORM

● Mr. LEAHY. Mr. President, I rise to ask my colleagues to take a close look at a bill which I cosponsored with Senator MURKOWSKI and others. The ski area fee system for Forest Service special use permits needs reform and S. 907 is a good way to get this done.

Skiing is one of the best uses that we have today on our national forests. The ski industry brings millions of people to the mountains to enjoy fresh air, scenery, and the mountain environment. Few other national forest activities are able to host such intense public use with relatively minimal impact.

In fact, many resorts have taken extra steps to protect and enhance the environmental resources with trail and resort designs that include modifications for wildlife use, special sensitivities to wetlands, base villages that minimize the need for cars, and plantings that provide forage for birds. Over the years ski resorts have become adept at reducing water pollution, erosion, and snowmaking. There are still

problems to resolve, but I am confident that citizens, communities, and the ski industry will find solutions to each challenge.

In addition to providing access to National Forests on a mass scale, the ski industry provides critical economic benefits. From the first American rope tow installed in Woodstock, VT, in 1934, to the high-speed quads on Sugarbush 60 years later, the ski industry has brought economic opportunity to Vermont towns. The 1993–1994 ski season in Vermont generated $230 million from 4.3 million visitor days according to the Vermont Ski Area Association. These revenues translate into $17 million in tax revenue for Vermont towns. The ski industry represents a sustainable use of national forests and a good neighbor. They deserve our support.

The Murkowski-Leahy bill refines the fee structure for ski areas on national forests. The Independent Offices Appropriations Act of 1952 and the National Forest Ski Area Permit Act of 1986 both mandate that the Federal Government collect fair market value for the use of Federal property. In 1965, the Forest Service developed the graduated rate-fee system [GRFS] which is still in use today. GRFS is based on the ski area's investment in fixed assets and sales generated in nine business categories. The ski industry and the Forest Service together agree that the system is complex, outdated, inefficient, and in need of reform.

I wish we could say that the reform we propose is based on a comprehensive assessment of fair market value as current law, but such an assessment simply does not exist. Neither the General Accounting Office nor the Forest Service—or any other organization—has been able to offer assistance in developing a widely accepted assessment of fair market value. The revenue collected today is the closest approximation of fair market value, and therefore we have used the total revenue collected as the best available assessment. This bill solves the problems that we know how to solve, and does not preclude adjustments for issues that may benefit from further study.

The solution proposed in the Murkowski-Leahy bill is a simple progressive rate structure based on gross sales. Since it operates much like an annual tax form, it is easy to prepare, relatively easy to audit, and less prone to litigation. The fees are linked to the economy so ski areas can make regular and fair payments that reflect their ability to pay. The bill also has a provision to adjust the rate structure for inflation and it would be easy to amend if the public wants to adjust the ski-fee revenues up or down based on further information on fair market value.

This bill is a reasonable, balanced, and progressive bill that offers clear reform for the ski area fee system. This is basically the same bill that the Senate passed in 1992 with strong bipartisan support. I hope we can pass the S. 907 this year with equally strong support.●

SALUTING THE 25TH ANNIVERSARY OF THE ZYGO CORPORATION

● Mr. DODD. Mr. President, I rise today to recognize the 25th anniversary of an outstanding corporate citizen in my home state of Connecticut, the Zygo corporation. Since it's inception in 1970, Zygo has become one of the foremost manufacturers of measurement instrumentation products in the world. This achievement is the result of hard work, creativity, and a highly skilled workforce.

I am proud that the State of Connecticut is home to so many talented and capable individuals. The high-tech, precision work done at Zygo and so many other companies in Connecticut is a testament to the quality workforce my State has to offer.

I am pleased to congratulate Paul Forman, Carl Zanoni and Sol Laufer, founders of Zygo Corporation, on this important milestone. Their ingenuity, forsight and commitment to a quality product enabled them to follow their dreams and launch this firm in 1970. Today, they deserve commendation on their success.

Zygo's reputation is well known throughout the country and the world. As our economy becomes increasingly high-tech, we need more companies like Zygo to provide leading edge products for a demanding market. The surface measuring instruments and precision surface manufacturing produced by Zygo contribute to a variety of products used world-wide every day.

It is with great pride and admiration that I stand today to acknowledge the 25th anniversary of the Zygo Corporation and to wish this exceptional company continued success.●

COMMEMORATING THE ACHIEVEMENTS OF MOUNT ST. DOMINIC ACADEMY

● Mr. BRADLEY. Mr. President, I rise today to honor a group of students whose accomplishments are as varied as they are praiseworthy. On Thursday June 15, 1995, the young women of Mount St. Dominic Academy in Caldwell, NJ, will celebrate their championship season in three sports at their annual athletic awards dinner. With championship seasons in basketball, volleyball, and softball, the students of the Mount captured the attention of the Bergen Record as the ''sports story of the year.'' In addition to these championship titles, the school won the New Jersey Interscholastic Athletic Association's C. Clarke Folsom Sportsmanship Award for the 1994 basketball tournament. This award is made annually to the school whose players, coaches, cheerleaders, and fans demonstrate the ideals of good sportsmanship throughout the tournament. The Mount has made a name for itself not only through outstanding athletic ability; but through the commitment of the school to a strong academic and extracurricular program with an emphasis on community service.

Students at the Mount participate in the Siena program of community service as part of their curriculum by donating their time to service projects, in addition to their regular studies and extracurricular activities. Although their prizewinning athletics certainly merit attention, I offer additional praise to these students for their school's unique commitment to community service. The Siena program teaches that the donation of time and energy in service to others is as meaningful as winning a championship season or scoring well on the SAT's. I can only admire a program which views giving back to the community as a basic part of education. In the words of the Mount's own Sister Fran Sullivan, these promising young women ''use their own giftedness to better the world.''

Mr. President, once again I offer my congratulations to these talented and generous young women, who are truly athletes, scholars and public servants.●

GENERAL MOTOR'S 1997 FLEXIBLE FUEL VEHICLES

● Mr. HARKIN. Mr. President, I want to offer my congratulations to General Motors for making what I believe is a good move for our environment, for our economy, and for their business. All of GM's 1997 four cylinder light-duty pickup trucks will have the capability to run on ethanol as well as gasoline. This represents a significant milestone in the acceptance of ethanol as a widely-used fuel for America. Ethanol helps clean the air and is a renewable domestic energy resource. I ask to have printed in the RECORD the May 11, 1995, news release from GM concerning this development.

GENERAL MOTORS NEWS RELEASE

DES MOINES, IOWA—General Motors today announced the largest single-model alternative fuel vehicle production program of any manufacturer. All of GM's 1997 four-cylinder light-duty pickup trucks will be flexible fueled to permit them to run on gasoline, ethanol, or a combination of the two.

Speaking at a meeting of the Governors' Ethanol Coalition, GM Vice President Dennis R. Minano said GM will use the 1997 Chevrolet S-series and GMC Sonoma pickups as flexible fuel vehicles because they will meet the broad spectrum of needs of many fleet and retail buyers.

''The inclusion of ethanol capability in this program is a win/win for the environment and the customer,'' Minano said. ''As a near-term alternative fuel, ethanol provides many positives. Ethanol is a renewable domestic energy source, provides more range than some other alternative fuels, and is good for the environment.''

''We are making this announcement today,'' said Minano, ''in order to provide time for us all to develop an infrastructure and prepare for the volume of ethanol capable trucks Chevrolet and GMC Truck will

begin selling in 1997 in the U.S. and Canada.'' Minano said the ethanol industry needs to continue to work with the automobile manufactures to finalize fuel specifications, commonize fuel delivery systems, and develop a refueling infrastructure.

Minano also said, ''We are particularly pleased to have the opportunity to make this announcement at the Governors' Ethanol Coalition meeting. I know the governors are committed to working with us and with the private infrastructure business to make this program a success. This program is really a partnership in the truest sense of the word.''

General Motors has been a leader in developing alternative fuel vehicle technologies for more than 25 years. Our strategy has been, and will continue to be, fuel neutral. This strategy includes continuing the development of gaseous, alcohol, and electric vehicles. Minano said, ''The market has to have room to allow multiple fuels. There should not be a mandate for a single technology.''

The trucks are scheduled for production beginning in the summer of 1996 and will be produced at North American Truck Group facilities in Shreveport, Louisiana, and Linden, New Jersey. They will be sold in the U.S. and Canada under the GMC Truck and Chevrolet nameplates.●

DISAPPOINTMENT OVER DELAY IN FOSTER NOMINATION

● Mrs. BOXER. Mr. President, today is the third day I am stating for the RECORD my sincere disappointment that the Foster nomination has not been sent to the Senate floor for a vote.

Clearly, the Nation needs a Surgeon General; clearly we have problems with AIDS, Alzheimers, cancers of every type, Parkinson's, teen pregnancy, just to name a few.

Clearly the time is long overdue for this Nation to have a Surgeon General. Dr. Henry Foster is qualified and eager to be Nation's top doctor. We need his leadership.

Dr. Foster was voted out of committee with a favorable, bipartisan vote. He deserve confirmation and there is no need to delay.●

100TH BIRTHDAY OF ESTHER EARNEST HEWICKER

● Mr. HARKIN. Mr. President, I was recently contacted by the O'Brien family in Iowa about a very special event that will happen on June 21. On that day, Esther Earnest Hewicker, of Remsen, IA, will celebrate her 100th birthday. Mrs. Hewicker has lived a long and vibrant life and I want to join with her family and her many friends in Iowa in wishing her my warmest birthday greetings on this very special day. During her lifetime, Iowa and our Nation have undergone many changes and endured many great challenges.

Mr. President, in commemoration of this very special day and in tribute to Esther Hewicker, I ask that a letter to me from the O'Brien family reviewing her life be included in the RECORD at this point.

The letter follows:

DEAR SENATOR HARKIN: It is with great pride that we, the O'Brien family, inform you of the one hundredth birthday of a woman who has dedicated her life to the welfare of those around her. Esther Earnest Hewicker, born June 21, 1895, near Remsen, Iowa, was the youngest of eight surviving children. At that time Esther's life was typical of the era. Her days were spent going to school, doing chores, and often caring for the children of her adult siblings. Esther lost her father to a medical condition, ''consumption'', when she was ten years old and as a result she, her mother, and remaining underage siblings left the farm and moved into Remsen.

Esther graduated from Remsen High School in 1913. After working for one year as a seamstress and caring for various nieces and nephews, Esther borrowed money from her mother to enter the Normal School in Cedar Falls, Iowa, where she earned a two-year degree in intermediate education. Esther taught seventeen years in small towns in Northwestern Iowa; two years each in Akron and Aurelia, and thirteen years in Marcus.

Esther began teaching in 1916 in Akron, Iowa, during World War I. At that time, it was important for civilian citizens to do what they could to support the war. Esther served through the Red Cross, making bandages and rolling gauze. Further, when teaching, Esther incorporated war effort projects into appropriate school subjects. For instance, during the teaching of hand work, Esther got yarn pieces from the Red Cross and had her students knit squares that would later be sent back to the Red Cross and sewn into lap blankets.

At the onset of her career, teachers earned approximately $65.00 monthly for only nine months of the year. During summers, holidays, and weekends Esther returned home and assisted her mother with a house full of chores, for everything in those days was done by hand and without refrigeration. Food preservation, preparation and storage were long-term projects involving gardening, butchering, canning, and baking using a wood stove. Water was carried for daily needs, drinking, bathing, cleaning, etc. General housekeeping involved floor scrubbing, hardwood waxing, rug beating, lamp trimming and window washing. Often the supplies for doing such chores needed to be made. The soap used for laundry and cleaning was made at home, usually in conjunction with butchering. Further, more time had to be made when specific attention needed to be paid to caring for the sick or repairing broken items.

In 1920, at the time Esther began teaching in Marcus, she also took on the responsibility of singlehandedly caring for her aging and ailing mother on a full-time basis. To supplement their income and make ends meet. Esther also ''kept roomers''. Esther maintained her full-time teaching position and eventually became Junior High principal, which in those days constituted an increase in responsibility as her teaching duties continued. Esther continued to live independently, maintaining her career, caring for her mother and keeping roomers. Esther did this until 1934.

At the age of 37½, Esther married Frank Hewicker, a Remsen, Iowa farmer. Her mother was transferred to the care of other siblings. Esther then began a new career, farming with her husband, for in those days, farming could only succeed if done as a partnership between husband and wife. The volume of work and sheer labor required to complete necessary tasks could not be done by one person alone. Esther cared for twin lambs abandoned by their mothers, raised ducks, geese and up to one thousand chickens each year. She kept a huge garden and did all of the housework, laundry, mending and cooking necessary for her family and the hired help, all without the aid of electricity, running water or refrigeration. The Hewickers began farming land south of Remsen and after approximately twelve years purchased land south of Marcus, where they stayed their entire married life. Presently, with the help of dedicated renters, Esther continues to oversee the farm.

At the age of 45, prior to the couple's move to the new land, Esther gave birth to a daughter, Ila Jean Hewicker. Esther continued to run the farm with her husband, and raised her family. At that time, Esther and her family were active contributors to their church and community, both in a physical and financial sense. Esther maintained a position on the Marcus Fair Committee for twenty-five years and was part of the decision-making process for the building of the Marcus Theater, original community swimming pool, health clinic, and countless other projects. Further, the couple found time to frequent area nursing homes, where they provided the residents with fresh produce and flowers. Esther and her husband also made a point to tend to the sick, shut-in or underprivileged within and outside their immediate families whenever they could.

Strong believers in education, there was never a doubt that their daughter would go to college. Esther and Frank supported and encouraged Ila through college and proudly watched her earn her Bachelor's Degree in Education. Ila eventually married and had a family of her own.

It is important to note that Esther's dedication to education did not stop with her career or her daughter's completion of college. Esther was an active member of the P.E.O. Club for many years and following Ila's high school graduation, Esther was elected to the Marcus School Board. Further, Esther and Frank created college funds for all four of their grandchildren, adding substantial amounts of money to each over the years. With that financial assistance, Esther's two eldest grandchildren received Masters degrees, one in Education, and one in Social Work. The third is presently an undergraduate in an Art Education program and the fourth will enter college in the Fall.

Esther is presently a resident of Happy Siesta Nursing Home in Remsen, Iowa, and has been for the past nine years. Esther made this move independently and presently continues to welcome new residents, helps ease their transition from home to nursing home living and encourages them to participate in the many activities available to them. Esther often receives visitors from the area and enjoys keeping up with the news and lives of life-long friends. Though her old students are senior citizens now, she sees many who visit, and makes a point to ask after those who cannot.

Clearly, Esther Earnest Hewicker's contributions to society have been vast throughout her long lifetime and still her humor, character, and gregarious personality have yet to be mentioned. It is with sincere pride that we ask that Esther's contributions be recognized formally, as the benefits of her life reaped by others are immeasurable.

Thank you for your time.

Sincerely,

KATHY O'BRIEN
and the entire O'Brien family.●

ORDERS FOR TOMORROW

Mr. CHAFEE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 10 a.m. on Friday, June 16; that following the

prayer, the Journal of proceedings be deemed approved to date; the time for the two leaders be reserved for their use later in the day; and that there be a period for the transaction of morning business not to extend beyond the hour of 11 a.m., with Senators permitted to speak for up to 5 minutes each with the following exception: Senator SARBANES, 15 minutes.

I further ask unanimous consent that, at the hour of 11 o'clock, the Senate resume consideration of the motion to proceed to S. 440, the National Highway System bill, which we have been on this evening.

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

CLOTURE VOTE ON MONDAY, JUNE 19, 1995, AT 3 P.M.

Mr. CHAFEE. Mr. President, I ask unanimous consent that the cloture vote on Monday occur at 3 p.m. and the mandatory quorum under rule XXII be waived.

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

PROGRAM

Mr. CHAFEE. Mr. President, for the information of my colleagues, the Senate will resume consideration of the motion to proceed to the highway bill tomorrow. However, the majority leader has announced that no rollcall votes will occur during Friday's session of the Senate.

A cloture motion was filed on the motion to proceed. So Senators should be on notice that a cloture vote will occur at 3 p.m. on Monday next.

RECESS UNTIL 10 A.M. TOMORROW

Mr. CHAFEE. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in recess under the previous order.

There being no objection, the Senate, at 6:57 p.m., recessed until Friday, June 16, 1995, at 10 a.m.

EXTENSIONS OF REMARKS

A TRIBUTE TO JOHN H. ADAMS FOR 25 YEARS OF SERVICE

HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. COYNE. Mr. Speaker, today I want to honor John H. Adams, executive director of the Pittsburgh Regional Minority Purchasing Council, who will be retiring after 25 years of distinguished service.

John Adams has devoted his energy and skills over the past quarter century to increasing opportunities for minorities to participate fully in the U.S. economy as entrepreneurs and business leaders. He had been a driving force in the Pittsburgh area in the struggle to sweep away the still lingering effects of racial discrimination. His work has been instrumental in opening doors to men and women who for too long had been denied a chance to compete fairly in our society.

Mr. Adams will be honored at a luncheon on Friday, June 16, in Pittsburgh at the Allegheny Club. He has served longer than any other council director in the 47-member national organization and is highly regarded around the country as the dean of directors. The Business Resource Center was formed in 1972 under the auspices of the Allegheny Conference on Community Development to develop a program for corporations to increase their purchasing with minority businesses. The conduit organization, The Regional Minority Purchasing Council, has served as the catalyst for purchasing agents in Pittsburgh to increase minority participation in providing and bidding on goods and services contracts. The corporate membership of 100 firms includes Westinghouse, ALCOA, Allegheny General Hospital, The University of Pittsburgh Medical Center, and the major area financial institutions.

John Adams has also been active in the Pittsburgh area as a civic leader. He made Pittsburgh and Rotary International history, when in 1979 and 1980, he served as president of the Pittsburgh Rotary Club, one of the largest rotary clubs in the United States. Throughout his life, John Adams has excelled at breaking through longstanding barriers and providing a role model for others in his community.

Mr. Speaker, John Adams deserves to be commended for his outstanding effort to break down barriers to African-Americans, women, and others in our society who have long been denied fair opportunities to participate fully in the benefits of our Nation's free enterprise system. It is fitting that the U.S. House should have this time to reflect on the work of John Adams and the continuing need to ensure that all Americans can compete fairly for a chance to succeed as businessmen and women.

BUDGET CUTS AFFECT REAL PEOPLE

HON. FRANK TEJEDA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. TEJEDA. Mr. Speaker, on June 6, the San Antonio Express-News published an editorial reminding all of us, particularly here in Congress, that budget cuts affect real people. The article appropriately points out that the seemingly abstract reductions being debated in Washington these days will have a concrete impact on the people back in our districts. The editorial painfully describes the impact of a $40,000 reduction in Federal money on the services provided by San Antonio's Sexual Assault Crisis and Resource Center.

Mr. Speaker, as we begin consideration of the large budget reductions being proposed and the spending priorities of the Federal Government, we, as representatives of the people, must constantly remember the impact our actions will have on the hundreds of thousands of people in my district and the hundreds of millions in those of my colleagues. The text of the editorial is set forth below.

BUDGET CUTTING HITS REAL PEOPLE

''A billion dollars here, a billion there—eventually it adds up to real money,'' the late U.S. Senate Minority Leader Everett Dirkson, R–Ill., used to grouse when freespending Democrats forgot that they were doling out real dollars paid by real taxpayers.

His political heirs, now in the majority in both houses of the 104th Congress, rightly understand that they are spending real money. What they need also to recognize just as dearly is that congressional spending—and cuts in it—affect real people, too.

A good example locally is the impact earlier federal spending cuts already are having on San Antonio's Sexual Assault Crisis and Resource Center.

The center which also receives state, United Way and other private funding, lost $40,000 in federal money for fiscal year 1995, San Antonio Express-News Staff Writer Marina Pisano recently reported.

Those cuts came before the Republicans—committed to even deeper cuts in the federal budget—took control of Congress.

Unlike the billions of dollars Dirksen accused congressional Democrats of mindlessly squandering, $40,000 may not seem like much money. But its impact on real people is proving to be significant.

As reported rapes increase dramatically in the Alamo City—during the first quarter of 1995, up 37.5 percent from a year ago—the crisis center will be able to serve fewer clients because of the cut in federal funding.

The center will have to rely more heavily on private funding.

Unfortunately, though, donations from nongovernment sources, particularly foundations, are significantly down, said Rita Velasquez, the center's acting director.

The private sector will be increasingly hard-pressed to make up the difference caused by ever-deeper cuts in government spending at all levels. Real people with real needs and real problems—not just nameless, faceless statistics—will suffer accordingly.

Congressional budget writers should never forget this very real impact that their decisions have on so many real Americans.

TRIBUTE TO THE REVEREND GEORGE S. FLEMING

HON. THOMAS M. DAVIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. DAVIS. Mr. Speaker, it gives me great pleasure to rise today to pay tribute to a man who has given so much to his church and his community, Baileys Crossroads, VA. Father George Fleming is retiring after serving 27 years as the priest at St. Paul's Episcopal Church. The Reverend George S. Fleming, born in 1930 in Brooklyn, NY, received his B.A. from Brooklyn College [CUNY] in 1953, and graduated from Philadelphia Divinity School, Philadelphia, with honors in 1956.

Following ordination as an Episcopal priest in 1956, he served as curate of St. Andrew's Church, Williston Park, NY, 1956–58, where he was a founding member of the Williston Rotary Club and member of the Anglican Society.

During his 27 years at St. Paul's he served as a member, and often convener, of Baileys Ministerial Fellowship, as a member of the Falls Church Kiwanis Club, a founder and member of the board of the Bethany House of Northern Virginia; board member, HOPE of Northern Virginia; member of the board of trustees of Goodwin House; field education supervisor, Virginia Theological Seminary; and regional dean of the Diocese of Virginia from 1991–94. He also led the effort for use of St. Paul's Church as a location for the Fairfax Community Action Program academy for dropout youth in 1970, and for the Northern Virginia Hispanic Ministry of the Episcopal Church.

Due to the tragic death of a homeless man on Christmas Eve, 1983, Reverend Fleming served as chairman of the Christian Emergency Temporary Shelter, an organization of churches that provided care for homeless people during the winters of 1984 and 1985. This group served as impetus for the founding of the Baileys Community Shelter for the Homeless. Reverend Fleming has served continually on the board of the shelter.

Mr. Speaker, I know my colleagues join me in paying tribute to this fine man who has given so much of his time and energy to help make his community a better place to live. Without Father George Fleming's leadership, Baileys Crossroads would be a far different place. I know my colleagues join me in thanking George Fleming for his selfless contribution to his church and community and we wish him the best of luck in his retirement.

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

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

A TRIBUTE TO CAPT. IAN WALSH

HON. PATRICK J. KENNEDY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. KENNEDY of Rhode Island. Mr. Speaker, at 2:08 a.m. Central European time, on June 8, 1995, history was made. With unparalleled perfection that only comes with countless hours of training and preparation, a team of U.S. Marines rescued Air Force Capt. Scott O'Grady from behind enemy lines in Bosnia.

Among the Marines who risked their lives to save Captain O'Grady was Capt. Ian Walsh, whose parents, Laurence and Ellen, live in my congressional district in Providence, RI. Captain Walsh, 28, who piloted the Cobra attack helicopter which led the rescue mission, is no stranger to life-threatening missions. Having flown in Somalia and Haiti, Captain Walsh has made a typical day's work out of flying into hostile territory.

The rescue of Capt. Scott O'Grady, who courageously eluded the enemy for 6 days, was by no means simple. Captain Walsh had to not only fly through dense fog and had to remain extremely low in order to avoid mountain ranges and power lines, but he also encountered missile and gun fire from the Serbians. All this was worth it in once Captain Walsh made the first audio contact with the downed fighter pilot. As Captain Walsh related later to the Providence Journal-Bulletin, ''It's one of those things you train and train and train, and you finally execute, and it pays off. I feel like I've actually made a difference—helped pull a guy out and saved his life. And that to me is probably the best feeling anybody could have.''

With Captain O'Grady back in friendly hands, there is indeed much to celebrate. In our joy, however, we should not forget that men and women are still putting their lives on the line for our country every day. They are truly heroes and should be recognized as such. I am proud to say that Capt. Ian Walsh is one of them.

As Captain Walsh finishes the remaining 3 months of his tour stationed off the embattled shores of Bosnia, I want to let him know that this country and his friends are behind him. I wish for Ian a safe tour and speedy return home for one of Rhode Island's true heroes. I also offer best wishes to his wife, Charlotte of North Carolina, and his parents, Laurence and Ellen, all of whom must be very proud of Ian's dedication and service to his country.

IN RECOGNITION OF SAN LUIS OBISPO MOZART FESTIVAL—25TH ANNIVERSARY

HON. ANDREA H. SEASTRAND

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mrs. SEASTRAND. Mr. Speaker, I rise today to invite my colleagues to join with the 22d Congressional District of California as we celebrate the 25th anniversary of the San Luis Obispo Mozart Festival. Presented during the weeks of July 21 through August 6, 1995, the festival is a superior salute to the music and life of Wolfgang Amadeus Mozart.

Over the past 25 years, San Luis Obispo residents and tourists from all over the world have enjoyed the festival's performances of works by composers of classical to contemporary. Audiences have a rare privilege to enjoy some of the greatest compositions of all time surrounded by the serenity and beauty of the San Luis Obispo County landscape. From vineyards to music halls and from quaint chapels to the historic Mission of San Luis Obispo de Tolosa, music lovers keep coming back year after year to enjoy the festival.

The San Luis Obispo Mozart Festival is also well known for its educational programs conducted in and around the performances. For adults, there is an Akademie lecture series which features music scholars from throughout the Nation. And for the children, the Akidamie provides an excellent opportunity for young people to gain an appreciation for music.

So, as the 22d Congressional District of California gears up for the 25th anniversary of the San Luis Obispo Mozart Festival, I remind my colleagues that they are all invited to the central coast to enjoy this truly classic event. And to the festival itself, I say congratulations on a successful history and good luck for continued success in the future.

TRIBUTE TO VFW POST NO. 4087 AUXILIARY

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. KILDEE. Mr. Speaker, it is an honor for me to rise before you today to pay tribute to a very important organization in my district. The Davison Veterans of Foreign Wars Auxiliary, Post No. 4087 received its charter on June 24, 1945. I congratulate the auxiliary as it celebrates its 50th anniversary on June 24, 1995, and thank them for their many years of dedicated service to the community. The auxiliary was originally formed around a mutual desire to serve the community.

The auxiliary is known throughout the entire country for their involvement in projects that touch many lives. One of the first projects the auxiliary accomplished was distributing toys to needy children at Christmas. That original gesture of generosity has not only prevailed, it has expanded into many other programs to assist the needy. Individuals, families, and particularly children have benefited as a result of the magnanimity of the auxiliary. Clothing, toys, food, scholarships, and athletic equipment have been provided when and where needed. Various youth groups have been advantaged by the auxiliary's largesse. Essential items, equipment, and extended use of Post No. 4087's building, and other facilities have been made readily available to those groups.

The Davison Veterans of Foreign Wars Auxiliary, Post No. 4087 has traveled long distances, and donated many hours of time visiting veterans hospitals. These visits have served as a topic to the veteran who has been hospitalized as a result of illness, or from wounds received as a result of military service. The auxiliary has helped to carry the message of freedom by sponsoring the Voice of Democracy Program, and sponsoring flag presentations to local schools. The auxiliary color guard was formed in 1983, and since then, has been invited to participate in parades and ceremonies throughout Michigan. The auxiliary color guard has also been the source of pride to the Davison community, as it has been the winner of numerous State and national awards, trophies, and commendations. The accomplishments of the auxiliary are too lengthy to list today. Suffice it to say they are great, and they are many

Mr. Speaker, it is with great pride that I stand before you today, asking you and my fellow Members of Congress to honor the Davison Veterans of Foreign Wars Auxiliary, Post No. 4087. For 50 years they have stood firmly behind their commitment to each other, the community, and this Nation. Their steadfast devotion to promoting the human dignity of all Americans serves as inspiration to us all.

CELEBRATING THE ACCOMPLISHMENTS OF BUREAU OF RECLAMATION COMMISSIONER DANIEL P. BEARD

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. RICHARDSON. Mr. Speaker, I rise today to express my high regard and appreciation for the performance and accomplishments of Daniel P. Beard and my sadness at his decision to resign from his position as Bureau of Reclamation Commissioner.

As many of my colleagues may remember, prior to his current service in the Department of Interior, Mr. Beard was a staff member in both the House and Senate, serving as administrative assistant to Senator Max Baucus and staff director for the Subcommittee on Water, Power and Offshore Energy Resources, and the Committee on Interior and Insular Affairs. In his 2 years with the Bureau of Reclamation, he has served his country with distinction and unparalleled effectiveness.

As Commissioner of the Bureau of Reclamation, Dan was instrumental in turning the Bureau around and making it one of the premier agencies of the Department of Interior. In fact, Vice President Gore awarded the Bureau a Reinvention Hammer Award in 1994 for its reduced budget and effective downsizing of employees.

Commissioner Beard should be very proud of how well he has achieved his goal to make the Bureau of Reclamation the preeminent water resource management agency in the world. Dan led the Bureau to establish and support water conservation projects throughout the West, such as projects to bring new, drought-resistant water supplies to communities in arid areas, particularly in southern California. The Bureau also implemented a native American trust asset project policy and substantially expanded technical assistance to native American tribes in the West.

Our Bureau reforms instituted by Dan include a revision of agency operations to delegate greater decisionmaking authority to field personnel and the involvement of headquarters in everyday operating decisions. These changes have resulted in the elimination of several layers of management within the Bureau and the reduction of redtape. It is fair to say that customer service is now the foundation for the Bureau's operations.

I would like to congratulate and commend Mr. Beard for his outstanding service to the Nation. His achievements are worthy of high praise and appreciation and I wish him all the best in his future endeavors.

SUPPORT INTERNATIONAL FUND FOR IRELAND AND MACBRIDE PRINCIPLES

HON. JAMES T. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. WALSH. Mr. Speaker, as chairman of the Friends of Ireland, I strongly urge my colleagues to join me in supporting the International Fund for Ireland and the MacBride Principles.

The time is right. The current peace process in the North provides a context in which our assistance will be most valued. And our willingness to reward nonviolent problem solving could not be shown more clearly.

Our historical tie to Ireland is a lifeline—not for victory in armed struggle, but for economic success in peacetime.

We have a humanitarian interest at stake, and an economic interest. Because Ireland has a highly skilled, educated work force. It is a gateway to Europe, and a potential market for American companies.

Regarding the MacBride Principles, I personally believe that despite the cease-fire and despite advances in the peace process, systemic prejudice still exists in the North. The MacBride Principles will guarantee that U.S. tax dollars are targeted at unemployment in the areas that will bring the best peace dividend.

Our economic assistance has helped Ireland get this far in its struggle for peace, and will continue to help create an infrastructure of hope.

I urge support for this measure.

IN RECOGNITION OF AMCORE BANK AND THE ZION DEVELOPMENT CORPORATION

HON. DONALD A. MANZULLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. MANZULLO. Mr. Speaker, it is a great pleasure for me to recognize the accomplishments of the partnership between AMCORE Bank and the Zion Development Corporation. These two organizations, acting in unison, have stabilized and redeveloped a major portion of the Rockford community. Their commendable efforts were justifiably included by the Social Compact in their 1995 Outstanding Community Investment Awards program.

AMCORE Bank and the Zion Development Corporations have a long history of working together. AMCORE Bank, a major financial institution in Rockford, had been located for nearly 100 years on Seventh Street, directly across from the church that founded the Zion Development Corporation [ZDC]. The ZDC, established in 1982, has acted as an instrument to revitalize storefront and residential property in an urban neighborhood. Its mission is to provide affordable housing for low- and moderate-income families of every background, as well as to train the residents of Rockford for worthwhile employment opportunities.

Neither AMCORE, nor the ZDC could have succeeded in creating safe, thriving areas within their neighborhood without the help of the other. Acting as a model for other businesses around the Nation, AMCORE granted generous and flexible loans to the ZDC, often financing close to 100 percent of the cost of the properties acquired by the ZDC. AMCORE went on to donate money directly to its partner, to establish a banking service for the residents of the new properties, and to help form the Seventh Street Area Development Council. The ZDC is, like AMCORE, a model itself. It is a nonprofit institution designed to positively impact citizens' lives directly. It has targeted and purchased the properties around Seventh Street which, in the past, have been infamous because of the prostitution and drug dealing that occurred there.

These two organizations have earned admiration and respect because of their service. They have been deservedly noted by the Social Compact and provide inspiration to the rest of Rockford, as well as the country, to never concede a neighborhood as lost to crime.

BISHOP STUDENT EXCELS IN NATIONAL HISTORY DAY

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. LEWIS of California. Mr. Speaker, I would like to bring to your attention today the fine achievement of Will Baylies and the leadership of his teacher, Mrs. Irene Sorenson, from Home Street Middle School in Bishop, CA. Recently, this remarkable student joined other students from across the country at the University of Maryland to compete in National History Day sponsored by the Constitutional Rights Foundation. The theme for this year's competition was conflict and compromise in history.

Will qualified for the national competition by first winning at the local, regional, and State levels. Will placed first in California for his research paper titled, ''A Philosophical Conflict on Civil Rights, Integration or Separatism? Correspondence Between Martin Luther King, Jr. and Malcolm X.'' Will took the original approach of creating a series of letters between these two men that express an understanding of their philosophies. In reality, King and Malcolm X did not correspond so the content of the letters reflect the research done as well as critical analysis by Will.

This outstanding student and Mrs. Sorenson are a tribute to our public school system which remains the finest in the world. Although this student lives in a community of less than 5,000 people located 200 miles from a major library or university, he completed extensive research in his subject area and was highly competitive with students from the large metropolitan areas including Los Angeles County, San Bernardino County, and Riverside County. It is also remarkable that under the guidance of Mrs. Sorenson, a total of 16 students made it all the way to the final State competition and exhibited their knowledge in 7 of the possible 8 categories.

Mr. Speaker, I ask that you join me, our colleagues, and friends in recognizing the fine achievement of these individuals. Their work is a reflection of education at its best. It is fitting and appropriate that the House of Representatives pay tribute to them today.

PERSONAL EXPLANATION

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. WILLIAMS. Mr. Speaker, yesterday, family difficulties kept me from being here for the vote on the Kasich-Dellums amendment on deleting money from the authorization for additional B–2's.

Had I been in attendance I would have voted ''aye''.

TRIBUTE TO DELORES BOHANNON-WILKINS

HON. THOMAS M. DAVIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. DAVIS. Mr. Speaker, it is a great privilege and honor for me to rise today and pay tribute to one of Reston, VA's most beloved teachers and community leaders, Delores Bohannon-Wilkins who passed away last month after a long, prolonged battle with cancer. On June 15, 1995 the school where Mrs. Wilkins taught, Langston Hughes Middle School, will dedicate a hall in her memory.

At Langston Hughes Middle School Delores Bohannon-Wilkins served as a middle school mathematics teacher in Reston, VA. She was actively involved in professional educational pursuits. She originated and directed community mentor programs for children-at-risk in Fairfax County. Mrs. Wilkins served as a leader and presenter at professional educational conferences, seminars, and workshops. She also provided counselling for youths and their families in the Reston community.

Among her honors were the Golden Eagle award for outstanding educational contributions and being named Lady Fairfax for the Hunter Mill Magisterial District in Fairfax County [VA], at the Fairfax County Fair in recognition of her leadership contributions to the community. She was a member of several professional and civic organizations. Among these were the Reston Chapter of National Jack and Jill the National Council of Negro Women where she served as president.

Delores graduated from St. Paul's College in Lawrenceville, VA. She pursued additional graduate studies at the University of Maryland, University of the District of Columbia, and the University of Virginia. She was married to Dr. Thomas A. Wilkins and was the mother of three children; Lisa, Thomas, and Mark.

Mr. Speaker, I know my colleagues join me in honoring Delores Bohannon-Wilkins, a woman who served as a role model, mentor, and leader in Reston. She was a woman whose leadership in her community made it a

much better place to live than she found it. She will be missed by those who knew her, but her example of commitment and concern will remain a part of her legacy.

AMERICAN OVERSEAS INTERESTS ACT OF 1995

SPEECH OF

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 1561), to consolidate the foreign affairs agencies of the United States; to authorize appropriations for the Department of State and related agencies for fiscal years 1996 and 1997; to responsibly reduce the authorizations of appropriations for United States foreign assistance programs for fiscal years 1996 and 1997, and for other purposes:

Mr. LANTOS. Mr. Chairman, I want to express my strongest opposition to the amendment proposed by my distinguished friend from New Jersey [Mr. SMITH]. I have the highest regard for my colleague, Mr. SMITH. He and I have worked together on many issues on human rights, and I fully share his abhorrence of coerced abortions that have been carried out in China. I have joined him on many occasions to protest in the strongest terms this egregious violation of human rights. While we have worked closely together on a large number of human rights issues, including coercive population control programs, and I look forward to working with him on a number of other issues in the future, I disagree in the strongest terms with this amendment that he has offered to the bill H.R. 1561.

I support the reasoned alternative that has been presented by our distinguished colleague from Maryland, Mrs. MORELLA, which is the same provision that Mrs. MEYERS of Kansas presented during full committee markup, and which was approved by a significant margin during that markup by the entire International Relations Committee.

Mr. Chairman, unchecked population growth in developing countries poses a serious and a growing threat to United States national interests throughout the world. It has serious implications for our international policy in areas of trade, security, environment and international migration.

To reduce the whole range of U.S. population assistance to the issue of abortion—which is what the amendment of our colleague from New Jersey does—does a great injustice to our pioneering work in the field of population planning, where the United States is a recognized leader and innovator.

U.S. population assistance addresses a broad range of critical needs—maternal health; child survival; primary health care, including the prevention of death due to pregnancy-related causes; and the prevention of the spread of sexually transmitted diseases; and contraception.

The aim of a family planning organization is not to promote abortion, but quite to the contrary—to prevent unwanted pregnancies and abortion, which is the leading cause of maternal mortality. The principal objectives of the Agency for International Development's Population Program are to enable couples and individuals to decide freely and responsibly the number and spacing of their children, to improve individual health, and to reduce population growth rates to levels that are consistent with sustainable development.

U.S. population assistance is very much in our Nation's interest and—dollar for dollar—probably offers the best return on investment of any of our foreign assistance programs.

If effective action is not taken with this decade as today's 1.6 billion children in the developing world under the age of 15 reach their childbearing years, then the Earth's population could nearly quadruple to over 19 billion people by the end of the next century.

Such an unchecked explosion in population threatens the international community just as much as the proliferation of weapons of mass destruction or the increase in international crime, because the alarming rate of population growth underlies virtually every developmental, environmental, and national security problem facing the world today. In Algeria, Brazil, and India—to name but a few examples—we are seeing how growing populations hinder economic development, foster serious environmental degradation, and exacerbate political instability.

Experts estimate, Mr. Chairman, that 125 million people in developing countries want to delay or avoid childbirth, but they are not using contraception because they do not have access to means of birth control.

Population growth is outstripping the capacity of many nations to make even modest gains in economic development, leading to growing political instability in many countries. At best, this undermines the ability of these countries to be reliable members of the international community or good trading partners of the United States. At worst, it can contribute to massive unrest and violence, as we have witnessed in Rwanda.

The impact of exponential population growth is also evident in the mounting signs of depletion and overuse of the world's natural resources. We have only to see what is happening throughout the continent of Africa, in South Asia, and in many areas of South America to realize the serious and, I, fear, irreversible environmental consequences of unchecked population growth.

At the International Conference on Population in 1984 in Mexico City, the Officials of the Reagan administration speaking for the United States Government announced a new policy of denying United States foreign aid funds to any foreign nongovernmental organization that provided abortion counseling, referral, or services. Initially called the Mexico City Policy, because it was announced at the U.N. conference in that city, it came to be known as the International Gag Rule.

While the ostensible purpose of that policy was to prevent abortion, the evidence has shown that restrictions did nothing to reduce reliance on abortion. In fact, the only impact of the restrictions was to interfere with the delivery of effective family planning services and appropriate medical care.

Current law and the explicit text of the Morella/Meyers language make it very clear that no United States funds can be used now or in the future to perform abortions abroad except in cases of rape, incest, or endangerment of the mother's life. No United States funds may be used to lobby for or against abortion, and no United States funds will be spent by the U.N. Family Planning Agency in China.

Mr. Chairman, I urge my colleagues to reject this effort to return us to the era of the International Gag Rule. The counter-productive and self-defeating Mexico City Policy was appropriately and rightfully rejected by the American people, and it was repudiated in the past by the Congress as well. It is necessary for us to reject this effort to turn back the clock. The Smith amendment is contrary to American national interests, and it is a policy that is contrary to the interest of stability and economic development in the Third World. It is time for us to move forward and face realistically and meaningfully the very serious population problems that we face in the world.

PROTECTING THE FLAG

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. ROTH. Mr. Speaker, today Americans across the Nation will unfurl Old Glory to celebrate Flag Day. Last Saturday, June 10, Appleton, WI held the Nation's largest Flag Day parade to honor our veterans who won World War II 50 years ago.

Fifty years ago, the U.S. Marine Corps invaded the rocky island of Iwo Jima. The month-long assault marked the beginning of the United States forces freeing the South Pacific from Japanese occupation. This epic battle was won at the staggering cost of 6,821 American lives.

One of the veterans of this battle was John H. Bradley, a native of Antigo, WI. When he died last year, Mr. Bradley was the last survivor of the six American servicemen who raised the U.S. flag on Iwo Jima. Their valor was captured in the unforgettable 1945 Pulitzer Prize-winning photograph by Joe Rosenthal.

Across the Potomac River from the Capitol, that flag-raising scene is brought to life in the U.S. Marine Corps War Memorial. Day and night, American citizens and visitors from around the world come to pay homage to the six Americans who struggled to raise the flag on Mount Suribachi, the highest point on Iwo Jima.

The raising of the flag brought tears to the valiant Americans who were still struggling to vanquish the nearly impregnable Japanese defenses. The rippling red, white, and blue of Old Glory overhead instilled hope and courage to these weary marines.

To Americans, the flag is a symbol to revere, respect, and honor. At the 45th annual Appleton Flag Day parade, I saw rugged World War II veterans, as well as little boys and girls, snap to attention when the flag passed by.

For many years, Federal law and 48 State laws protected the flag from physical desecration. While Americans have always defended political dissent, we draw the line at burning our national symbol.

But in 1989, the U.S. Supreme Court nullified these laws with a nonsensical interpretation of the first amendment protection of freedom of speech.

Congress responded by passing a law to restore the protection of the flag, but the Court again defied the will of the people.

After that defeat, Congress tried but failed to pass a constitutional amendment that would allow flag protection laws.

Mr. Speaker, we didn't have the votes then. But this is a new Congress, a Congress that believes our national symbol deserves the protection of law.

In the coming weeks, the House of Representatives will try again—and this time, I believe we will win. House Joint Resolution 79, the American flag protection amendment, will restore the flag to its rightful honor. This amendment has sailed through the Committee on the Judiciary and is scheduled for vote in the near future.

On behalf of the patriotic citizens of Appleton, and of all the people in northeast Wisconsin, and of every State in America, I rise to urge the House to pass this amendment.

Flag Day is not just a celebration of the American flag, but a celebration of the American people and American ideals. Let us remember the stirring words of Longfellow:

''Take thy banner! May it wave
Proudly o'er the good and brave.''

Mr. Speaker, the flag deserves protection from those who would defile it. On this Flag Day, as we remember the brave Americans who won World War II 50 years ago, this Congress must restore to the flag its rightful standing as a symbol to be honored, saluted, respected, and protected.

If we fail, then the tears of pride shed by the World War II veteran I saw in Appleton last Saturday will turn to tears of shame. Let us not disappoint this patriot who crossed an ocean and fought a war to defend the ideals embodied in our American flag.

TRIBUTE TO THE WILLIAMS HIGH SCHOOL GOLF TEAM

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. COBLE. Mr. Speaker, it took them a year to avenge a heartbreaking defeat, but on May 16, 1995, the Williams High School golf team completed a yearlong quest by capturing the North Carolina 3–A high school golf championship. The Sixth District of North Carolina is proud of the Bulldogs for winning the State golf title with a 2-day total of 614, two strokes better than its closest rival, Northwest Guilford High School, another Sixth District high school.

What made the victory even sweeter was that it came over the same team, Northwest Guilford, that defeated Williams High School last year by one stroke. Head Coach Tommy Cole told the Burlington, NC Times-News that the bitter memory of last year's defeat drove the team all year long. ''It feels good to come back and win this after the heartbreak of last year,'' Cole told the newspaper. ''Everybody left here last year saying, 'If I hadn't missed that shot here,' or 'If I just made a putt there.' The mental stress on these kids has been unbelievable. They handled it great.''

Congratulations must begin with Tommy Cole who was named North Carolina's 3–A golf coach of the year following the team's victory. The win was Cole's second State title in as many sports. Cole was the coach for the Graham High School boys basketball champions in 1983.

All five Williams golfers deserve equal praise for the team victory. Paul Daniel, Josh Moore, Tommy Ryan, Josh Petty, and Jason Nestor were better the second day than they were the first. Each improved his first-day total by at least one stroke. Paul Daniel followed his 74 on Monday with a 73 on Tuesday for a 2-day total of 147, and that was good enough to capture comedalist of the tournament.

Congratulations to principal Donald Williams, athletic director Tommy Spoon, the faculty, staff, students, and parents of Williams High School. The Sixth District of North Carolina is proud of the Williams High School golf team for winning the 3–A golf championship and keeping the title in the Sixth District.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996

SPEECH OF

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1995

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 1530) to authorized appropriations for fiscal year 1996 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 1996, and for other purposes:

Mrs. MALONEY. Mr. Chairman, I rise to briefly discuss the amendment—included in the en bloc amendment—of the gentleman from Ohio [Mr. GILLMOR] and the gentleman from Texas [Mr. EDWARDS].

Mr. Speaker, although the Civilian Marksmanship Program is but a minuscule piece of the Federal Government, I think this is a historic occasion.

It is noteworthy because as the leading opponent of the Civilian Marksmanship Program in Congress over the past 3 years, I now support much of what the leading proponents are trying to do—change and reform this long outdated program.

My colleagues, it has taken 92 years to begin to do the right thing.

Founded in 1903 after the Spanish-American War, the program was intended to teach our new recruits how to shoot straight.

We won that War. And it is long past time to declare victory and get rid of this program.

But for nearly a century, U.S. taxpayers were called upon to spend their money—last year it was $2.5 million—on a program which the Department of Defense said serves absolutely no military purpose.

Instead, the program gives away 40 million rounds of free ammunition, along with cut-rate guns to rifle clubs to use in target practice competitions.

It simply make no fiscal or military sense.

And lately, the Civilian Marksmanship Program took on a more sinister appearance, which the gentleman's amendment acknowledges. Investigative reporting uncovered clear links between participants in this program and extremist militias.

I am pleased that Mr. GILLMOR'S proposal moves us in the right direction on a number of these issues.

First and foremost, the annual $2.5 million giveaway of taxpayer money is gone.

The program will cease to be an instrument of the military—where it serves absolutely no purpose—and instead will become a private nonprofit corporation associated with the U.S. Olympic Committee.

I have always stated that I have no problem with teaching rifle safety and sharpshooting. But I consistently objected to the taxpayers footing the bill under the guise of military preparedness.

Mr. Speaker, I do have some very serious concerns about the amendment.

I am not at all comfortable with its provision to turn over an inventory of 70,000 M–1 rifles to the new corporation, and to allow a new type of weapon—.22 caliber rifles—to be sold as well.

It seems to me that we need less, not more, excess Government weaponry spread around our country. I will be watching this program very closely over the coming months to ensure that these weapons are not being abused.

As troubled as I am by this provision, it is clear that the gentleman from Ohio has the votes, and he and my friend from Texas, CHET EDWARDS, have made a good faith effort to reform this pork-ridden boondoggle.

The amendment, while not perfect, it a vast improvement over current law.

SALUTE TO JOAN ROSS: FOR AN OUTSTANDING 26-YEAR CAREER IN COMMUNITY SERVICE TO WEST VIRGINIA

HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. RAHALL. Mr. Speaker, after serving southern West Virginia as head of the Southwestern Community Action Agency in Huntington, WV for 26 years, Joan Ross has made her decision to retire in order to spend more time with her husband, her children, and her grandchildren.

While her time and talents have been devoted almost solely to the Community Action Council which she has headed for 26 years, developing and implementing many ''poverty programs'' for the most needy people throughout southern West Virginia, Joan Ross began her public service prior to the 1964 enactment of the Economic Opportunity Act creating local and regional CAP agencies.

Joan first spearheaded a local demonstration project called Project Find, a research and demonstration program under which she trained older, low-income persons who had not dreamed of being called upon to show the kind of professional skill required of survey takers, and under Joan's supervision were more than able to conduct the necessary random survey, using a 22-page questionnaire, throughout a three-county area—Lincoln, Wayne, and Cabell. The findings determined by the questionnaires indicated specifically what and how extensive the human service needs were throughout the area, and how best to provide for those needs. Joan Ross followed up by developing a delivery system

for those human services, and she also wrote a report to Congress on her findings, entitled: ''The Golden Years: A Tarnished Myth.'' Joan had found that the Golden Years for the elderly were not exactly golden—but she also knew what kind of help was going to be necessary in order to make them golden.

After that effort, Joan then served as the coordinating supervisor of the Neighborhood Youth Corps, responsible for developing and implementing an internal evaluation instrument, and recommending to management appropriate changes to make the program more efficient and effective for the youth intended to be served. These findings too became a written report to the U.S. Department of Labor and were used extensively to improve and enhance neighborhood youth corps programs.

In 1967, Joan became the interim executive director of the Southwestern Community Action Council, where she got so busy doing what needed to be done, she never left—until now.

Joan Ross knew long before Federal legislation was enacted, that West Virginia's southern area was very different from the rest of the Nation. More than 63 percent rural, the State had hidden poverty pockets that neighboring urban areas and officials knew nothing about, or not enough to pay attention.

When, in 1964, the Economic Opportunity Act was passed creating her agency, community schools and businesses, restaurants and movie theaters—were not yet integrated. Hungry school children were not receiving hot lunches, and health care was nonexistent in most rural areas. At that time, the mentally impaired or disabled child and adult were not mainstreamed into society—but were kept hidden, either in institutions or by their families. In 1964, Joan had already found that substandard housing was accepted as a consequence of poverty, but not as a contributing factor, and people who were poor were perceived as poor by choice—but Joan Ross knew better.

The enactment of the Economic Opportunity Act gave Joan Ross, and many other directors of CAP agencies nationwide the opportunity to bring people together who were concerned about their communities—their counties, cities and rural hamlets—people who wanted to find a way to help the poor help themselves.

Joan, along with the staff which she recruited and who have served with her for nearly the same length of years at Southwestern, took it upon herself to become a pioneer in Lyndon Johnson's war on Poverty, taking on new programs that no one else would touch—and making them work as they were intended to work: Helping the poor to help themselves.

The people in southern West Virginia, brought together by Joan Ross and kept together by her unstinting efforts over the years, were somewhat awed by the sight of bankers working with welfare mothers, rural folks with urban folks—young people with senior citizens—and volunteers with working people.

When Joan Ross began her service with the Southwestern Community Action Agency as its interim director 26 years ago, her job was to help organize and stabilize the agency. Over more than a quarter century, she has seen the program grow from a tenuous one to a multimillion dollars corporation-still receiving Federal support from a few remaining programs under the old OEA—but which has grown and continued to survive because of the resources she has generated from other Federal programs, from private foundations, and local contributions.

Under her very distinguished stewardship, the Southwestern Community Action Agency has done everything from weatherizing existing substandard housing, to building housing projects, for the elderly, for the low-income families, for the homeless, and for the mentally impaired.

She pioneered the Head Start Program in our region, overseeing four county-wide Head Start Projects, as well as Head Start's Parent Child Centers, providing educational opportunities to pre-school children and their families, saw to the fluoridation of the water system, advocated for the mentally ill, conducted several national demonstrations, some of which have resulted in Federal legislation, provided services to the homeless and to troubled youth, provided training which has led to jobs for the unemployed, helped provide small low interest loans to low income people who were trying to start up their own business—and she piloted countless other programs designed to help the poor stop being poor.

The story of Joan Ross and her career in public service is about excellence. When it comes to bringing people together from all walks of life and inspiring them—challenging them—to work together and to make a big difference, she has no equal. Joan Ross did all this regardless of anyone's cultural, ethnic, or racial origins. She did it regardless of a person's age, or whether they were from rural or urban settings, and all other socio-economic factors were taken into consideration for residents throughout her service area.

Joan Ross's life has been about uniting people, never dividing them.

While Joan spent 26 years counseling, cajoling, inspiring and challenging people from all walks of life—from County Commissions to the State Legislature to the U.S. Congress—from the poorest to the richest in our region—ultimately getting them to do the right thing—she was completely and selflessly involved at every other level of community service. How she found the time or the energy, we will never know. For example: During these 26 years Joan served as a member of the Junior League of Huntington, was active in her church, served as chairperson of the board of trustees of the greater West Virginia Employees Health and Welfare Trust, served as president of the WV Community Action Directors Association, served on the Greenbrier Mission Development Fund, was chairperson of the State Visiting Committee of West Virginia University, as chairperson of the Cabell-Huntington Red Cross, as the national vice president of the Council of Agriculture Research, Extension and Training, served on the West Virginia Mental Health Planning Committee, as well as with the West Virginia Alliance for the Mentally Ill, as president of the Prestera Center for Mental Health, Chaired the Policy Committee of the WV State Jobs Training Coordinating Council, president of the Forest Management Corporation, and still serves as a member of the Huntington Hospital for Rehabilitation Board of Directors. And all this time, Joan was raising her four children and being a supportive wife to her husband, Dr. Thomas Ross.

I have known Joan Ross for all of these years, and have been both inspired and humbled by her always dynamic, often gentle and compassionate approach to getting all the jobs done that were hers to do, and getting them done by, and for, the right people. By her example she brought dignity and a quality of life to thousands of men, women and children in southern West Virginia who had, until Joan began her life-long career of outreach to the poor, remained immersed in poverty.

She will be sorely missed as she returns to the heart of her family to spend some quality time with them—but knowing Joan, she will always be involved in the affairs of her community and indeed in public affairs throughout the State.

AMERICAN OVERSEAS INTERESTS ACT OF 1995

SPEECH OF

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 1561), to consolidate the foreign affairs agencies of the United States; to authorize appropriations for the Department of State and related agencies for fiscal year 1996 and 1997; to responsibly reduce the authorizations of appropriations for United States foreign assistance programs for fiscal year 1996 and 1997, and for other purposes:

Mr. LANTOS. Mr. Chairman, I want to express my strong support for the amendment proposed by my distinguished friend from Florida, Mr. HASTINGS. His reasonable amendment calls for restoration of funding for the development fund for Africa to the levels allocated for this program in the past. I welcome this amendment by my distinguished colleague, and I urge my colleagues to support the adoption of his fair and sensible proposal.

Development assistance to Africa now is a preventive medicine against future more grave problems, such as those that have plagued Somalia and Rwanda in recent years. The peoples of Africa are among the most vulnerable people on earth, the peoples most in need of our help anywhere. If we can encourage the advancement of the African countries through programs that focus on economic and political development, this will be important in preventing future problems. Assistance now will help prevent crises in the future. As with medical care, prevention is far more cost-effective than post-crisis intervention. A few million dollars today to assist the countries of Africa deal with their very serious problems can save our Nation billions in the future by preventing or minimizing the development of humanitarian emergencies and totalitarian regimes that could some day once again threaten the peace and stability of that continent.

Development assistance is an investment in the future stability of that Continent. We need only remember the horrifying television pictures of the crisis in Rwanda last summer to be reminded of the dreadful cost of instability and crisis in Africa. To the extent that we are able to prevent such humanitarian disasters by fostering economic development and political stability, we are saving resources and contributing to global stability, goals which are clearly in our national interest.

The amendment of my friend from Florida to maintain development aid to Africa at current modest levels will be an important impetus to further economic and political development in South Africa. All of us in this Congress were cheered a year ago to see the first free, universal and multi-racial elections take place in South Africa. For years Americans have followed closely and sought to encourage developments in South Africa to bring about an end to apartheid and to encourage democratic development. While all of us have been delighted with the progress that has taken place thus far, the democratic evolution of South Africa depends on economic progress in South Africa. Furthermore, the progress in South Africa could be undermined if development lags and instability increases in the rest of Africa.

Furthermore, our assistance is not simply altruistic. Africa is a continent of rapidly growing countries, countries which are potential markets for United States products which our workers and our factories produce. These countries are sources of important goods and products that the American people and the American economy require. It is in our own national interest to foster economic development and progress for the peoples of Africa.

Mr. Chairman, I strongly support the amendment of Mr. Hastings.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996

SPEECH OF

HON. JAY KIM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1995

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 1530) to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 1996, and for other purposes:

Mr. KIM. Mr. Chairman, I rise in support of the Gilman amendment which modifies section 563 of the pending bill regarding the determination of whereabouts and status of missing persons.

First, though, I want to take a moment to recognize the unselfish support and dedication our colleague BEN GILMAN, the chairman of the International Relations Committee, has given to trying to help realize the fullest possible accounting of American POW/MIA's. Since coming to Congress in 1973, BEN GILMAN has been a responsible voice in protecting the rights of the families and trying to find answers to the questions about the fates of their missing loved ones. I think we all owe a debt of gratitude to Chairman GILMAN for his never-ending service and commitment to this most complex and frustrating of issues.

Section 563 of the National Defense Authorization Act would require the Secretary of Defense to centralize the oversight and policy responsibility for accounting for missing personnel. It also codifies and standardizes the procedures for accounting for members of the Armed Forces or civilian employees of the Defense Department who become missing as a result of military operations.

The Gilman amendment further refines and improves these new procedures:

First, it requires that the State Department, the Transportation Department, and the Central Intelligence Agency and other relevant agencies appoint an officer responsible for handling missing person issues. Among the 2,204 Americans still missing and unaccounted for from the Vietnam war are civilians associated with the State Department and Coast Guard personnel.

Second, it directs the Defense Department office to coordinate with these other agencies thereby ensuring a common, focused approach to achieving the fullest possible accounting of missing Americans.

Third, it changes from 24 hours to 30 days the time allotted to a family member in responding to the Defense Department board of inquiry.

Fourth, it extends the time after which the Defense Department can terminate the board after first notice of a disappearance from 20 to 30 years. Many of the still unresolved POW/MIA cases from the Vietnam war date back to a loss over 20 years ago.

Fifth, it provides the family of the missing American the right of judicial review for any finding of death made by the board.

I support this effort to improve the system of determining the status of missing Americans. While some may claim the system does not need fixing, the last 22 years of very frustrating experiences by the families of missing Americans underscores to me the need for statutory reforms. I think this measure goes a long way in implementing the kinds of changes these trying experiences have identified.

However, that is not to say that section 536, even with the improvements offered by the Gilman amendment, is perfect. I have reviewed the concerns raised by the Defense Department about these proposed changes and I believe further refinements are in order to address some of these issues.

Furthermore, I am concerned about the lack of definitive language regarding the rights of the primary next of kin, especially with regard to other family members. While I understand the interest in expanding the decision-making process to include other family members, I am aware of the complications this can present to both the Government and the families themselves. The present set of rights and responsibilities accorded to the primary next of kin should be maintained. This relationship in its current form appears to have worked well. In fact, I believe that some of the overall concerns raised by the Defense Department could be mitigated by clearing defining the principal role of the primary next of kin.

I am sure that these further improvements can be made during consideration of this issue by the other body or during the House-Senate conference on the fiscal year 1996 National Defense Authorization Act.

Hopefully, with more comprehensive accounting from Vietnam and these new procedures for determining the whereabouts and status of missing personnel, we will be able to bring a close to this final chapter of the Vietnam war.

FLAG DAY

HON. WILLIAM J. MARTINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. MARTINI. Mr. Speaker, today I rise to commemorate not a person, not a place, but a symbol. That symbol is the flag of the United States of America. Today, on Flag Day, we celebrate all this symbol has come to represent.

During World War II the Marines planted Old Glory at Iwo Jima; the U.S. astronauts placed the flag on the Moon; and every day our flag hangs behind the Speaker's chair as an individual reminder of why each one of us here in the House of Representatives have chosen to come to our Nation's Capitol. It is to insure the preservation and enhancement of the greatest form of government ever conceived.

Mr. Speaker, as you may be aware, evidence from archaeological digs proves that individuals created flags as early as 3500 B.C. These findings have shown that national pride symbolized by a flag has existed for thousands of years. It is no wonder that immediately upon colonization America's first settlers raised colonial flags; and that upon unification of the United States, one flag was raised to symbolize the birth of our new Nation.

The American flag is not merely a piece of cloth, rather it is a concrete symbol of what is valued in America. Almost 80 years ago on this day President Woodrow Wilson said:

> This flag, which we honor and under which we serve, is the emblem of our unity, our power, our thought and purpose as a nation. It has no other character than that which we give it from generation to generation. The choices are ours . . .

Having the honor of being a Congressman from the State of New Jersey, I am proud of the contribution our State has had to the creation of the flag. Francis Hopkinson, a signer of the Declaration of Independence and a resident of New Jersey, was responsible for the stars in the U.S. flag.

Since a New Jerseyian helped create the flag, I am pleased to help take steps to forbid the desecration of the American flag.

Congressman GERALD SOLOMON (R-NY) has introduced H.J. Res. 79, a Constitutional amendment to prohibit physical desecration of the Flag of the United States. Some individuals will argue that this issue deals with the constitutional issue of free speech. I would argue that freedom of speech should be exercised and celebrated, and that even the freest of societies needs a common baseline of decency that should not be crossed. Without this baseline, a free society could quickly become an anarchical one. If it were not for our system of government and its institutions, these rights would not exist. As the symbol of those institutions, the flag deserves our respect and should be protected from gross defamation.

I am proud to be an original cosponsor of H.J. Res. 79. I am convinced this amendment to our Constitution is one of the best ways in which we can restore the proper sense of respect and appreciation for our flag and our institutions.

AMERICAN OVERSEAS INTERESTS ACT OF 1995

SPEECH OF

HON. WILLIAM P. LUTHER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 1561), to consolidate the foreign affairs agencies of the United States; to authorize appropriations for the Department of State and related agencies for fiscal year 1996 and 1997; to responsibly reduce the authorizations of appropriations for United States foreign assistance programs for fiscal year 1996 and 1997, and for other purposes:

Mr. LUTHER. Mr. Chairman, I am committed to ensuring that all efforts are taken to recover our American POW's and MIA's from the Vietnam and Korean wars. After 27 years of families waiting for news and information about loved ones, the time has come to renew our national commitment to those American soldiers still unaccounted for in Southeast Asia.

We must do all we can to achieve the fullest possible accounting of our POW/MIA's. We must reach out to the families of POW/MIA's and listen to their stories. We must continue to seek answers to the questions that remain, and we must address our past failures and develop more positive future solutions.

One of those stories is the story of Joan O'Brien, a constituent of mine and an active member of the Minnesota League of POW/MIA's. Her brother, Sgt. Eugene Allen Handrahan has been missing in action since October 10, 1968. She is convinced that the POW/MIA's issue has been seriously mishandled and is frustrated by our inability to adequately address the lack of information available to her family about her brother. She feels as though our Government has stopped looking for positive solutions. I understand her feelings and am concerned with the Department of Defense's unwillingness to provide this family with complete information.

Today we have before us a positive approach. I applaud my colleague, Representative FRED UPTON for his provision in the American Overseas Interest Act, adopted in the manager's amendment, which I voted for and fully support. Representative UPTON's language enables us to reach out to citizens of countries who may have access to information about our missing service personnel. This provision grants asylum in the United States to any citizen of Laos, Vietnam, or Cambodia who personally delivers into the custody of the U.S. Government a living American POW or MIA of the Vietnam war, and to any citizen of North Korea, South Korea, or China who delivers an American POW or MIA from the Korean war.

Mr. Chairman, this is the least we can do to show our support and appreciation to those who risk their lives to bring American soldiers home. It is the least we can do to answer to the millions of families still waiting for positive solutions.

SAUDI ARABIA STILL DELAYS PAYMENT TO UNITED STATES COMPANY

HON. ROBERT E. ANDREWS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. ANDREWS. Mr. Speaker, I rise today to voice my continued and growing concern and frustration over the delay by the Saudi Arabian Government in paying the $43.4 million claim of my constituent Gibbs & Hill Inc. I have risen numerous times on the floor of this House to urge Saudi Ambassador Bandar to favorably resolve this last remaining claim, as has been committed to repeatedly by the Kingdom, and thereby complete his mandate for satisfactory resolution of these claims under the special claims process.

On Friday, we passed the American Oversight Interest Act (HR 1561) which contained a provision sponsored by myself and Representative SMITH to further this policy objective of our Nation. Section 3312, Notification of Arms Sales to Saudi Arabia, requires the President to notify to Congress of all arms sales to the Kingdom of Saudi Arabia until such a time as the Secretary of State certifies that the Kingdom has satisfactorily resolved all claims identified in the June 30, 1993, report of the Secretary of Defense pursuant to the section 9401(c) of the fiscal year 1993 Department of Defense Appropriations Act.

Now is the time for Ambassador Bandar to address this issue, meet with the company, and implement the payment of the claim. Ambassador Bandar's authority to implement payment of the claim is certain as was confirmed to Members of Congress and the company as recently as May 2, 1995, by U.S. Ambassador Raymond Mabus. Ambassador Mabus has steadfastly advocated the State Department's position that the claims be satisfactorily resolved by Ambassador Bandar under this mandate. In his May 22, 1995, conversation with the company and Members of Congress, Ambassador Mabus noted that he had been assured by a member of the Saudi royal court, on the authority of the King, that the claim would soon be paid. Despite this direct and unequivocal commitment, the Kingdom has yet to pay the claim. The unresolved claims between American companies and the Kingdom of Saudi Arabia continue to place a strain on our relationship with the Kingdom. On April 7, 1995, I and several of my colleagues wrote to Chairman GILMAN requesting that a hearing be scheduled as soon as practical to consider U.S. bilateral relations with the Kingdom. I renew my call to Chairman GILMAN to schedule hearings on this subject so that we may fully explore our commercial relationship with the Kingdom.

AMERICAN OVERSEAS INTERESTS ACT OF 1995

SPEECH OF

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 1561), to consolidate the foreign affairs agencies of the United States; to authorize appropriations for the Department of State and related agencies for fiscal year 1996 and 1997; to responsibly reduce the authorizations of appropriations for United Stats foreign assistance programs for fiscal year 1996 and 1997, and for other purposes:

Mr. LANTOS. Mr. Chairman, I want to express my opposition to the amendment proposed by my distinguished friend from Illinois, Mr. HYDE. I have the highest regard for my friend from Illinois. He and I have worked together on many issues, and we agree on many of the most fundamental of those issues. I respect his principled opposition to the War Powers Act, and I have heard him express his disagreement with that legislation on many different occasions over the years as we have served together on the Foreign Relations Committee.

Like Congressman HYDE, I have serious reservations about the way in which fundamental questions regarding the decision to commit United States troops abroad have been made over the years. I have had disagreements with Republican presidents and with Democratic presidents, and it will come as no surprise to my colleagues to know that I have not hesitated to express those differences both publicly and privately. As Chairman of the Subcommittee on International Security, International Organizations, and Human Rights in the last Congress, I chaired a number of hearings related to this issue.

I have the highest regard for my distinguished friend from Illinois, and I acknowledge that his amendment to repeal the War Powers Act and to establish provisions that provide for Executive-Legislative consultations is a serious and thoughtful effort to deal with the problem of the commitment and involvement of American military forces abroad.

At the same time, however, Mr. HYDE's amendment suffers from the same fundamental flaw that undermines the entire bill that is before us today, Mr. Chairman. It is a partisan document that has been imposed by the Republican majority, first in the International Relations Committee and now, I fear, in the House of Representatives. Our foreign policy should be a bipartisan effort that jointly involves the Administration and the Congress, and both of our political parties. Furthermore, it is again being done without thoughtful deliberate consideration and evaluation by the Committee of jurisdiction.

There were no hearings in the International Relations Committee on the specific amendment Mr. HYDE is presenting to us here today; There was no effort to solicit the thoughtful views of the Administration about mechanisms to assure consultation between the Administration and the Congress; there was no effort to seek the views of scholars and lawyers and historians about the potential impact of those changes; there was no attempt to develop an amendment that had input from and reflected the concerns of the Democratic members of the International Relations Committee.

Regretfully, Mr. Chairman, with Mr. HYDE's amendment we are simply continuing the partisan politicization of our foreign policy at the very time that we should be working together to deal with the serious challenges that our Nation faces in the post-cold war world. There

may be merit in the proposals of my distinguished friend from Illinois, but this amendment should be thoughtfully considered and evaluated, not presented as an amendment to this piece of legislation without proper reflection.

Mr. Speaker, I strongly oppose the amendment.

INTRODUCTION OF THE ''BOXING SAFETY, RETIREMENT, AND RETRAINING ACT OF 1995''

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. OWENS. Mr. Speaker, I rise to introduce the Boxing Safety, Retirement, and Retraining Act of 1995. This bill would create a Government corporation that would oversee the boxing industry, ensure that healthy working conditions exist, and eliminate the widespread corruption and exploitation that runs rampant within the sport. The bill places special emphasis on assuring the health and safety of boxers.

Boxers are never privileged individuals. They primarily are minorities from disadvantaged areas, easily susceptible to the unscrupulous business practices of boxing promoters. Traditionally, minority youth have viewed a boxing career as a way to leave behind a life of poverty and gain wealth and stability for themselves and their families.

Often these men have no other hope. They are poorly educated and face an inhospitable job market. Boxing promoters exploit the dreams of young boxers by promising lucrative careers. Once boxers enter the business, they surrender all control over their careers. They are used like property for the financial gain of others.

The industry is controlled by a few organizations, manipulated like puppets by a small number of immensely powerful promoters. In this equation, the boxer is powerless. He must play by their rules or not play at all. If he complains, he is not allowed to fight. If he speaks publicly about negative conditions, he faces banishment and an end to his financial support. If he wants to fight in title matches, he must sign contracts rife with clauses that direct money to the promoter's family and friends. This situation becomes especially problematic when the boxer has little education, might not speak English, and has no other financial resources.

The boxing industry might say that it is being unfairly singled out because the Government does not directly regulate any other professional sport. But the reason we do not directly regulate other sports is because we do not need to; they have proven over time that they can manage their own affairs. Through players' unions, most professional athletes have recourse against unfavorable working conditions. Golfers, bowlers, and baseball, football, and basketball players, all have an avenue that prevents them from being exploited. Boxers have none.

This bill is not the first attempt by Congress to get involved in an industry that cannot monitor itself. When working conditions became intolerable, the Federal Government stepped in and formed the Occupational Safety and Health Administration [OSHA]. When financial transactions became suspect, the Securities and Exchange Commission [SEC] was created. When some States proved to be irresponsible on civil rights issues, the Federal Government initiated the U.S. Commission on Civil Rights. The boxing industry has had over 100 years to get its act together, and it has failed. It is time for Congress to get involved.

Only a handful of States conduct oversight over boxing, and only a few of those do it effectively. Too often, State agencies have been co-opted by those with a financial interest in the sport. My bill would create an unbiased board whose members would be unable to reap monetary reward from the industry while serving. The board would be comprised of neurological specialists, average citizens, and a representative from the boxing world. The board's members would be given the responsibility of establishing minimum standards to which States must adhere. States with effective agencies would be able to maintain autonomy, but states with little or no oversight would be forced to improve.

Without this bill, the unconscionable practices of this sport will continue. Oversight responsibility will continue to be left to those individuals who have proven that greed is their motivating force. Unsuspecting minority youth will still be exploited. Boxers will never be able to voice objections to working conditions. And an elite group of promoters will keep becoming very, very rich.

I am in no way asking for a ban of the sport, just some oversight. Amateur boxing programs in neighborhoods have been successful in getting young people off the street and giving them confidence. It is the professional arena where the problems lie. For the sake of the young men involved and fostering the integrity of the sport, I urge my colleagues to pass this legislation.

OBSERVING THE FIFTH ANNUAL DAY OF THE AFRICAN CHILD

HON. FLOYD H. FLAKE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. FLAKE. Mr. Speaker, I rise today to ask my colleagues to support the observance of the African Child on June 16, 1995.

I come to you today with this request simply because it only seems suitable, coming from a country that invests in human capital, that each and every Member should be able to look within their hearts and realize that the African, specifically the South African, child has been traumatized over the course of apartheid and the demoralization of Africa as a whole.

The Day of the African Child commemorates the June 16, 1976 massacre of school children in Soweto, South Africa. Since the original designation by the Organization of African Unity in 1991, it has become an event that has mobilized communities around the world to look at the situation of all African children and to celebrate the diverse cultures and traditions of the large continent.

The theme of this years Day of the African Child will deal with children in armed conflict. Amazingly enough, a study showed that 75 percent of the children in Rwanda has seen mass killings. In several African countries, boys as young as 11 years old have been recruited into military training. It is quite obvious that the future of these children is very bleak, that is without proper intervention.

Moreover, since we always only focus on the hardships of Africa, this day is a time to also look at the accomplishments of the continent. For not every child in Africa suffers from disease and malnutrition, or is impoverished or illiterate.

I thank all of my colleagues for their attention to this important matter and I hope that each and everyone of you will participate in this observation.

It is up to us to let these children know that their struggles were not in vain.

A TRIBUTE TO SOUTH GLENS FALLS CENTRAL SCHOOL VOLUNTEER/MENTOR PROGRAM

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. SOLOMON. Mr. Speaker, it is a privilege to rise today and pay tribute to a program which provides a tremendous service to the students and community of South Glens Falls. The Volunteer/Mentor program is completing its 2nd year of service helping elementary and middle school children with their self-esteem, allowing them to meet their academic and personal potential.

Young people comprise America's greatest asset. In that respect, a program like this one is invaluable and representative of that uniquely American concept of volunteerism. In this day and age especially, our children are subject to an alarming range of negative influences. Therefore, it is critical that we call upon the entire community to assist our young people in overcoming problems with their self-esteem by countering the impact of damaging social ills. That is why the service of the 60 volunteers in this program is so critical.

Allow me to recount some of the efforts of these mentors. They meet with the students in small, or even one to one settings for at least 45 minutes per week. This relationship between mentor and child lasts for a minimum of one school year, whereby affected children receive the degree of attention they need to ensure they reach their maximum potential. These volunteers and the children often establish such strong bonds that many mentors have extended their service for a 2nd year.

This type of devotion exemplifies those qualities which make Americans, and America, great. I have always felt that there are three distinct reasons for this greatness, American pride, patriotism and volunteerism. The American people have been noted for this voluntary service, be it in the fire departments, civic and community organizations or extracurricular programs at our schools.

Mr. Speaker, the United States of America is the longest continuing democracy in the world and a model for emerging countries. In that same mold, people like those who comprise the Volunteer/Mentor program in the South Glens Falls Central School District are models for all of us here. To that end, I have always been one to judge people based on what they return to their community. By that measure, these volunteers are truly great

Americans. I ask, Mr. Speaker, that you, and all fellow Members, join me in paying tribute to this program that works to protect our future.

INTRODUCTION OF THE LEWIS AND CLARK RURAL WATER SYSTEM ACT OF 1995

HON. TIM JOHNSON

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. JOHNSON of South Dakota. Mr. Speaker, today, I am introducing legislation, along with my colleague, Representative DAVID MINGE of Minnesota, to authorize the Lewis and Clark Rural Water System. I introduced similar legislation last year during the 103d Congress, with Representative MINGE and then Representative Grandy of Iowa as original cosponsors. I look forward to again working closely with my colleagues for timely consideration of this important measure.

The Lewis and Clark Rural Water System is made up of 22 rural water systems and communities in southeastern South Dakota, northwestern Iowa, and southwestern Minnesota who have joined together in an effort to cooperatively address the dual problems facing the delivery of drinking water in this region—inadequate quantities of water and poor quality water.

This region has seen substantial growth and development in recent years, and studies have shown that future water needs will be significantly greater than the current available supply. Most of the people who are served by 10 of the water utilities in the proposed Lewis and Clark project area currently enforce water restrictions on a seasonal basis. Almost half of the membership has water of such poor quality it does not meet present or proposed standards for drinking water. More than two-thirds rely on shallow aquifers as their primary source of drinking water, aquifers which are very vulnerable to contamination by surface activities.

The Lewis and Clark system will be a supplemental supply of drinking water for its 22 members, acting as a treated, bulk delivery system. The distribution to deliver water to individual users will continue through the existing systems used by each member utility. This regionalization approach to solving these water supply and quality problems enables the Missouri River to provide a source of clean, safe drinking water to more than 180,000 individuals. A source of water which none of the members of Lewis and Clark could afford on their own.

The proposed system would help to stabilize the regional rural economy by providing water to Sioux Falls, the hub city in the region, as well as numerous small communities and individual farms in South Dakota and portions of Iowa and Minnesota.

The States of South Dakota, Iowa, and Minnesota have all authorized the project and local sponsors have demonstrated a financial commitment to this project through State grants, local water development district grants, and membership dues. The State of South Dakota has already contributed more than $400,000.

Mr. Speaker, I do not believe our needs get any more basic than good quality, reliable drinking water, and I appreciate the fact that Congress has shown support for efforts to improve drinking water supplies in South Dakota. I look forward to continue working with my colleagues to have that support extended to the Lewis and Clark Rural Water System.

AMERICAN OVERSEAS INTERESTS ACT OF 1995

SPEECH OF

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 1561), to consolidate the foreign affairs agencies of the United States; to authorize appropriations for the Department of State and related agencies for fiscal year 1996 and 1997; to responsibly reduce the authorizations of appropriations for United States foreign assistance programs for fiscal year 1996 and 1997, and for other purposes:

Mr. LANTOS. Mr. Chairman, I want to express my strong support for the amendment proposed by my distinguished friend from New York, Mr. ACKERMAN. His reasonable amendment calls for reports by the Congressional Budget Office and the Office of Management and budget prior to implementing the provisions of this legislation requiring the consolidation of the functions of the Agency for International Development, the United States Information Agency, and the Arms Control and Disarmament Agency into the Department of State.

The organizational changes that are mandated in this legislation are the most sweeping and comprehensive changes ever proposed to the structure and function of the agencies charged with the conduct of our Nation's foreign policy. None of the Members of the Congress—no matter how long they have been serving in this House or in the other chamber—have dealt with changes in our foreign policy agencies of this massive a scale and none of us have any sense of what the unforseen consequences may be.

Before the Department of Defense scaled back and reorganized our national defense effort, a Bottom-Up review was conducted to assess our Nation's defense requirements in the post-cold war world. But here in the case of the Department of State, we have had only a few general hearings before the International Relations Committee earlier this year on reorganization in general. After the specific provisions of this legislation were drafted, the International Relations Committee held a single hearing on the specific reorganization proposals in this legislation—a hearing, I should add, which was requested by the Democratic members of the Committee to provide the administration with the opportunity to comment on the language in the bill.

Mr. Chairman, our Nation is facing unprecedented challenges and threats to the security of our Nation as we face the uncertainly of the post-cold war world. No effort has been made a assess the nature of the perils we face, no effort has been made to assess how our Nation's foreign policy agencies can best address these threats, no effort has been made to determine the impact of this massive restructuring of our foreign policy organizations.

In view of the scope of the changes that have been proposed, the amendment of Mr. ACKERMAN is a reasonable, prudent, and thoughtful effort to consider the impact and evaluate the consequences of consolidation before that irreversible step is taken. In the last few months, Mr. Chairman, this House has not been given to actions that are reasonable, prudent, and thoughtful. In this case, however, we are dealing with the national security of the United States—and caution is only appropriate and reasonable in this case.

If this consolidation policy is so all-important and self-evident, why did we not have such proposals from two presidents and four Secretaries of State in the previous administrations. Alexander Haig, George Schultz, Jim Baker, and Larry Eagleburger were obviously guilty of a tremendous dereliction of duty and responsibility for not proposing the wholesale downsizing of our foreign policy apparatus. If there is such urgency for this action, if there is such necessity to take these decisions without essential review, study, and reflection before acting, these previous Secretaries of State should have been able to see and make such recommendations for change.

Furthermore, Mr. Chairman, no effort has been made to consult and work with the Department of State and the administration to come up with a bipartisan consensus to deal with this consolidation. All of us agree that government can and should be made more efficient and that redundancies should be eliminated. But it is highly inappropriate for the Congress to dictate to the administration the structure of our foreign policy agencies. These are decisions that can and should be made cooperatively in a bipartisan fashion.

Mr. Chairman, during the 14½ years that I have served in this Congress, 12 of those years were with a Republican administration and a Democratically-controlled House of Representatives. During those 12 years, the Democratic members of the Foreign Affairs Committee consulted with our Republican colleagues on the Committee and with the Republican administration to try to achieve a truly bipartisan foreign policy. While there were some areas of disagreement, in the foreign policy realm we were remarkably successful in achieving broad bipartisan agreement.

Mr. Chairman, in coming up with the legislation that is now before us, I find that the procedure which we used through the years—of consulting with Republicans and Democrats to come forward with bipartisan proposals—is all gone by the board. I think it is a sad spectacle when the bipartisan foreign policy process of this Nation is torn asunder for cheap partisan political ends. This is not the way to build a superpower and enhance its ability to conduct foreign affairs in the 21st century.

What we see in this legislation—in this rush to consolidation with no regard for the consequences and with no consideration of alternatives—is rampant isolationism in action. As I told my colleagues in the markup of this legislation in the International Relations Committee, this is nothing more than pathetic, preposterous partisan posturing. It is cutting to shreds the international capabilities of the one remaining superpower on the face of this planet. It was aptly and accurately described by Dr. Tony Lake, the National Security Advisor to the President, as unilateral disarmament.

Mr. Chairman, the amendment of Mr. Ackerman is a rational approach, a thoughtful recommendation in dealing with a process of consolidation that should be given serious and careful consideration before it is implemented. For these reasons, Mr. Chairman, I strongly support the Ackerman amendment.

LAW ENFORCEMENT LEGISLATION

HON. JIM LIGHTFOOT

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. LIGHTFOOT. Mr. Speaker, I would like to urge my colleagues to support legislation I have recently offered. Regardless of what we in Congress believe is the best way to approach crime control, we can all agree there is no more important resource in that effort than the men and women who serve our Nation's communities as law enforcement officers.

The legislation I am referring to is H.R. 1805. This legislation would allow off-duty and retired law enforcement officers to carry concealed weapons. As a former law enforcement officer, I can tell you that the daily duties of police officers are regularly fraught with danger. And just by virtue of doing their jobs, police officers make many enemies within the criminal community. Those who have served in law enforcement have many legitimate concerns about their safety and the safety of their loved ones. Allowing those officers who are off-duty or retired to carry concealed weapons can help allay those fears.

In addition, regardless of whether they are on or off duty or retired, police officers know what to do in the event of a crime, how to minimize threats to the public safety and how best to apprehend a criminal. Providing those who are the most knowledgeable about how to catch and restrain criminals with the ability to carry weapons makes such action easier. This legislation gives us an additional tool with which to fight violent crime. I would also tell my colleagues who have legitimate concerns about the availability of firearms that this measure was crafted to ensure that it pertains only to those who are either retired or current full time police officers charged with the authority to make arrests, and those who are required to regularly qualify in the use of a firearm. Furthermore, the legislation also requires that officers covered under this bill must be able to present a badge and photographic identification.

This legislation has the strong support of the 270,000 members of the National Fraternal Order of Police and I ask unanimous consent that a letter to that effect from FOP President Dewey Stokes be inserted in the The RECORD at this point.

I hope my colleagues will agree with me that we owe it to our Nation's law enforcement officers not to stand in the way of their efforts to protect themselves and others. I believe this legislation meets that goal. I urge my colleagues to support H.R. 1805.

FRATERNAL ORDER OF POLICE,
Washington, DC, June 13, 1995.

Hon. JIM ROSS LIGHTFOOT,
U.S. House of Representatives, Washington, DC.

DEAR CONGRESSMAN LIGHTFOOT: On behalf of the 270,000 members of the Fraternal Order of police, I thank you for the introduction of HR1805, which will allow off duty and retired state, local and federal officers to carry concealed weapons in all United States jurisdictions.

This legislation is critically important to public safety on two levels:

First, it provides state local and federal officers, who are increasingly targeted by the criminal element, with a legal means to defend themselves and their loved ones in off-duty situations or in their retirement years.

Secondly, this legislation will have the immediate effect of putting trained, qualified, dedicated officers in a position to assist their brother and sister officers and citizens no matter where or when the need occurs.

The careful drafting of your bill, paying special attention to the qualification and identification of officers permitted to carry concealed weapons, makes HR1805 preferable to other similar legislation, because HR1805 provides better safeguards against officers endangering one another through mistaken identity.

Again, the rank and file law officers of this country thank you and we look forward to working with you on this and the many other police issues in which you have taken a leadership role, most notably the HR878, the Police Officers' Bill of Rights.

Sincerely,

DEWEY R. STOKES,
National President.

A SENSIBLE ROLE FOR OF GOVERNMENT

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, June 14, 1995, into the CONGRESSIONAL RECORD.

A SENSIBLE ROLE FOR GOVERNMENT

The heart of the political debate today is over what is the core responsibility of government. Some insist that fairness requires federal standards for assistance and help to all who qualify. Others say those federal standards have created a mess and want to shift various social programs to the states. Some see a government responsibility to help rebuild neighborhoods and communities and to promote common moral and social principles. Others see an activist government as the problem, not the solution, and insist that government has destroyed peoples' sense of responsibility.

Most Americans would agree that government cannot solved all our problems but does have a role to play. Government is, after all, nothing more than people coming together to accomplish what they could not do on their own. It's about cooperation and helping each other for our mutual benefit. What Americans want is a government that works better and costs less; that is more responsive to the needs of the average American.

To develop a sensible role of government, I think we need to keep a few basic points in mind:

GOVERNMENT SUCCESS

First, there have been major government successes. In public meetings in Indiana I will often ask whether anyone can name a federal program that works well. Usually not a single hand goes up, even when the audience is filled with people who are getting social security checks every month, who drove to the meeting on the interstate highway system, or received a first-rate education because of the GI Bill.

There have, of course, been failings of government programs, but we should not let the shortcomings blind us to the very real successes of government programs. Social Security, for example, is the biggest federal program and is also one of the most successful. It has had an enormous impact on the lives of seniors. Without it, the poverty rate of seniors would jump from 14% to 50%. And Social Security's administrative costs are less than 1% of benefit payments.

Many other examples could be given. Programs to feed infants and pregnant women, to teach preschool children in Head Start classes, student loans, safe drinking water, medical research are all valuable programs. Our agricultural research and extension service has helped make U.S. farmers the world's best. The aerospace and computer industries owe their origins to federal programs. Even the enormously popular Internet was set up by the federal government. The FBI is the most respected law enforcement organization in the world. And our armed forces are preeminent in the world.

It may be unpopular to point out some good things about government, but it really ought to be done. We simply will never get a sensible role for government if people think of government as the enemy.

GOVERNMENT FAILURES

Second, there have been government failures. The ''Star Wars'' antimissile defense system, burdensome regulations on business, tax, subsidies that lead U.S. companies to move jobs overseas, all are wasteful. There is no reason to have 689 federal programs for rural development or more than 150 job training programs.

Every problem does not have a legislative solution, and legislators, who are used to solving problems, must remember that. One particularly bad procedure, often used in recent years, is to try to solve a national mega-problem with one huge mega-bill, consisting of thousands of pages. Congress must narrow its agenda.

Various federal programs—no matter how well intentioned and no matter how impressive the title—simply don't work. And we will never be able to develop a sensible role of government if we think otherwise.

SENSIBLE ROLE OF GOVERNMENT

Third, our goal should not be big government, or small government, but effective government. The American public is very skeptical of government, and is demanding a less government-centered approach to national problems. Government still has many valuable roles to play, but only if it can do things more efficiently and more effectively. To get there we must be willing to think about the role of government less ideologically and more pragmatically—what, after all, works. Those government programs that work well should be kept or expanded; those that don't should be reformed, terminated, or turned over to someone else.

The private sector has taken this approach in recent years. Government should follow suit. Those companies which have been most successful in reforming themselves did not try simply to downsize—to cut costs or personnel by a certain amount—but to rethink what they have been doing—looking at their various missions and expanding on what they are doing well and abolishing what doesn't work.

The same should be true for government. From the President on down to the local level, public officials and citizens need to get engaged. We need to address several questions:

What should be the appropriate role of the federal government as we approach the 21st Century?

If the federal government weren't already carrying out a certain program, would it be created today?

Can we pay for whatever we decide the government ought to do?

Do states have sufficient resources and capability to resume the full role under the Constitution?

What should be the balance between the private sector and the public sector?

If we undertake this effort, I think we will be getting at the core of what bothers American about government and its performance. And we would be undertaking a comprehensive, objective review of the federal government that is clearly long overdue. We might not only get better government, but also government that is more broadly supported by the American people.

FEARLESS JACK'S WAR ON ''NON-CRIMES''

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. JACOBS. Mr. Speaker, the following Mike Royko column appeared in the Indianapolis News on June 8, 1995.

Apparently we should still seek the distinction between headlines and substance.

[From the Indianapolis News, June 8, 1995]

FEARLESS JACK'S WAR ON ''NON-CRIMES''

(By Mike Royko)

If any criminal mastermind in Chicago has been planning a big-time caper, this might be an excellent time to get it going.

I've never given advice to a criminal before, but why shouldn't a newspaper try to be of service to all of its readers?

There is good reason to believe that the time is right. It can be found in a list of cops, prosecutors and investigators who are said to be working on the case of U.S. Rep. Mel Reynolds, D-Ill.

This list was provided to defense lawyers, as the law requires, by the office of Cook County State's Attorney Jack ''Fearless Jack'' O'Malley.

It is an impressive list. It appears to be almost as long as a college football roster.

On it are 10 Chicago police detectives and their supervisors.

There are 24 detectives from the state's attorney's investigative office.

And 10 assistant state's attorneys are listed as helping the two lead prosecutors assigned to the case.

We shouldn't forget the O'Malley publicity specialists, who show up in court for every Reynolds hearing and whisper advice to TV reporters on how to best extract a thrilling sound bite from that day's proceedings.

All of this manpower is devoted to proving beyond a reasonable doubt that U.S. Rep. Reynolds did indeed have a go at a woman, now 19, who says that she willingly hopped in the sack with him when she was 16.

The woman since has recanted her charge, but that hasn't discouraged Fearless Jack O'Malley. He's determined to prove that Reynolds did the dirty deed and persuaded the woman to change her story.

And that's why this army of investigators and prosecutors is scrambling for any information that could be used to nail Reynolds—or at least generate TV footage that makes him appear to be the most dangerous fiend since Vlad the Impaler, which he very well might be.

Only last week, O'Malley's office trotted out Reynolds' disgruntled former secretary, who screamed at the TV cameras that Reynolds beat his wife.

The wife since has indignantly denied being beaten and says the ex-secretary is a nasty, politically motivated liar. But what does a mere wife know about such matters?

Of course, this is a noble pursuit of justice. I can't think of anything that could make the streets of Chicago and its suburbs safer than a successful proof that Reynolds frolicked with a consenting young bimbo. We finally could return to the good old days, when we didn't have to lock our doors at night.

It is comforting to know that investigators are out there knocking on doors and asking every female to whom Reynolds ever has said ''howdy-do'' if he ever leered, pinched, nibbled, oggled, drolled or breathed heavily in her presence.

And Fearless Jack is to be commended for his devotion to duty. Not only commended, but touted for higher office, which is the highest praise a Republican prosecutor can get for skinning a Democratic congressman.

But it is obvious that if you have limited manpower and payroll and you assign a dozen fulltime prosecutors, two dozen investigators, your publicity experts and political sex scandal—as earth-shaking as it might be—they can't find time to be gathering clues in Chicago's many cases of murder and mayhem.

Not that I believe for one minute that murder and mayhem and heavy dope dealing are as terrible a threat to the delicate fabric of our society as Reynolds allegedly having a tryst with a consenting tart who now says she doesn't give a hoot.

But as humdrum as murder, mayhem and other crimes can be, they still have to be dealt with. Even if the killers, maulers and dope profiteers beat the raps, as many of them seem to do, O'Malley still has to go through the motions. We can't have judges sitting around in empty courtrooms telling each other doctor jokes.

And who knows, some of the accused killers, maulers, dope profiteers and other lesser-known felons might have even more serious skeletons rattling around in their closets.

It's very possible that when you investigate a gangbanger for blowing away a rival, you also might discover that the nasty fellow has been doing you-know-what with a 16-year-old gun moll.

Ah, then you are really on to something.

So the Reynolds case might only be the beginning of something really big.

Today Reynolds.

Tomorrow jaywalkers.

Go get them, Fearless Jack.

MEMORIAL DAY

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. HUNTER. Mr. Speaker, I rise today to call the attention of the House to speeches written by some young students at Alpine Elementary School in my district. Jessica Herold, Kimberly Shoemaker, Tasha Voeltzel, and Travis McGrath have written what Memorial Day means to them and their words are something we can all be proud of. I ask that their speeches be submitted into the RECORD.

(By Jessica Herold and Kimberly Shoemaker)

Good morning Congressman Hunter, Mr. Miller, Teachers, Guests, and students.

We were asked to write about our flag or Memorial Day. We found it difficult to separate the two because both of these represent our nation and its beliefs.

We are a country because we wanted our rights and freedom. Many wars have been fought to keep us a free nation.

Students in the past have said the Pledge of Allegiance to our flag, today we continue to say the pledge. When we make this pledge, we are saying we believe in our country.

On Memorial Day, we salute the men and women who have fought for our freedom. It is our hope that each time you say the Pledge of Allegiance, you remember its meaning and that you take the time to think about the men and women that have fought to keep us one nation, under God, indivisible, with liberty and justice for all.

WHY MEMORIAL DAY IS IMPORTANT

(By Tasha Voeltzel)

Good morning Congressman Duncan Hunter, Mr. Miller, staff, and students.

I think Memorial Day is important because it is a day that we need to salute to the people who have died, trying to save our country so we could be free. My dad fought in the Vietnam War while he was in a wheelchair, even though he didn't get hurt, I still salute him being that brave, and having the courage to fight for our country. I will always remember Memorial Day and look back to the wars and giving everyone who is dead or alive, the salute for freedom.

MEMORIAL DAY; A DAY TO REMEMBER THOSE WHO PAID THE ULTIMATE PRICE TO KEEP AMERICA FREE

(By Travis McGrath)

To us kids, Memorial Day weekend has come to mean several things. Sure its a three day weekend. One more day added to the weekend that gives us the extra freedom to go on a picnic, to visit a special friend or relative, to go to the beach, the river, or the mountains. Freedom to relax, freedom to play.

Many Americans take to the road on Memorial Day. They sometimes drive hundreds of miles to visit a theme park, a national monument, another country or special place. Memorial Day has also come to signify the time of a special once a year event, like the Indianapolis 500.

For whatever reason Memorial Day may be significant to us all, let us not forget the real reason that this day is celebrated. Memorial Day is the day we honor and remember the men and women of the armed forces who have given their lives in the defense of liberty and freedom, home and abroad. From the battlefields of Bull Run to the sands of Iraq and Kuwait, brave Americans have fought for this Monday in May and all the days of the week to keep us safe and America free. So today, let us not forget that the freedoms we enjoy on this holiday and all year long have been paid for by Americans who have made the ultimate sacrifice.

HAPPY ANNIVERSARY, SEBEWAING VFW POST 4115

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. BARCIA. Mr. Speaker, there are debts that our country owes, and chief among them is the debt owed to our veterans. If it were not for the sacrifice made by many in the name of freedom and democracy, we would not be able to stand here and enjoy the wonders provided by our great Nation. I want to call special attention to the fact that Saturday, June

10, the Sebewaing Veterans of Foreign Wars Post 4115 celebrated its 50th anniversary as a chartered Post.

There is a proud tradition of military service among the residents of Sebewaing and Huron County. They have always responded to Uncle Sam's call, demonstrating time and time again how great the people of this community are. This Post which currently has 97 members who meet the requirement of military service on foreign soil or in hostile waters in a campaign for which the United States Government has authorized a medal. They proudly continue to serve their community with several annual activities, including teen dances, participation in the annual sugar festival, participation in a scholarship program, the poppy sale in support of the Veterans' Hospital, and its ceremonial drill team.

As many of our colleagues know, the Veterans of Foreign Wars works to promote the welfare of veterans, patriotic activities, and to positively influence veterans' legislation. The strength of any organization depends upon the commitment of its members, and it has been by experience that VFW members, including those of Post 4115, are among the most committed and concerned people I have ever met. They know duty and obligation. They know loyalty. They fought for it. They demonstrated it. They deserve it. That is why I have said before and I will say again that veterans' programs are the wrong place to cut when we assess our Nation's spending priorities. One of the greatest threats to our way of life would be the creation of the impression that our Nation is not serious about taking care of the veterans who have taken care of our Nation.

Among the real sadnesses experienced by Post 4115 has been the loss of some of its members who have passed on to their eternal rewards. The memories that have been shared, the dependency on one another that has been exhibited in the height of battle will live on forever. I am sure that everyone of these veterans appreciated the valor of the current members of our Armed Forces who joined together in the best of traditions to effect the rescue of Capt. Scott O'Grady who had been shot down in Bosnia, and likened it to the demonstrations of courage they personally witnessed in their own participation in World War II, Korea, Vietnam, and the other conflicts to which our forces have been called. The loss of a friend is one of life's hardest demands, and the call to service is one of its most precious demands. Our veterans have the proud heritage of responding to both with honor and conviction.

As we remember our many veterans in this 50th anniversary of the end of World War II, I invite all of our colleagues to join me in this special thanks and tribute to the members of Sebewaing Veterans of Foreign Wars Post 4115. We owe you much.

FLAG DAY

HON. JAY KIM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. KIM. Mr. Speaker, I rise today in celebration of Flag Day and to express my strong support for the immediate passage of House Joint Resolution 79, a constitutional amendment to protect this Nation's most valuable symbol—the American flag.

As a legal immigrant, I came to the United States in the hope of finding freedom, equal opportunity, religious tolerance and good will—all of which are symbolized by the American flag. It represents our place in the world, wherever Americans are around the globe. There is no other American icon more revered as the flag and it should be protected as such.

For more than 200 years, the American flag has been used to express all that is good and just about our Nation. Many have sacrificed their lives protecting Old Glory. It was unfortunate, therefore, that the Supreme Court ruled to reduce this great symbol to nothing more than a piece of cloth with could be desecrated at any time. We must do something to save our Nation's symbol of hope, which shines as a beacon to those around the world that this is the land of opportunity and freedom. Over two-thirds of our States have risen in support of our flag and this Congress must do the same.

In that regard, I call on all of my colleagues—Democrat or Republican—to join together in support of our Nation's symbol of truth. I look forward to passing House Joint Resolution 79 on June 28 to immediately place our Nation's symbol of truth out of reach from unnecessary desecration.

TRIBUTE TO WLEN RADIO ON ITS 30TH ANNIVERSARY

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. SMITH of Michigan. Mr. Speaker, this month, WLEN Radio in Adrian, MI celebrated their 30th anniversary.

I would like to pay tribute to the people of WLEN and their fine service to Lenawee County.

Lead by President Julie Koehn, WLEN, called the voice of Lenawee County, boasts the talents of Bob Butler who, with 32 continuous years on the air, is the county's veteran broadcaster. Additionally, WLEN's stable of stars includes: Angel Millet and Doug Spade.

WLEN's award-winning news department is headed by Mike Clement.

Mr. Speaker, for the past 30 years, the people of Lenawee County have been well served by the able people and programming at WLEN.

As a Lenawee County farmer, I look forward to another 30 years of excellent community service by WLEN.

Good communications are critical to maintain a vibrant democratic society. Congratulations, WLEN, on your 30th anniversary.

SAFETY AND HEALTH IMPROVEMENT AND REGULATORY REFORM ACT

HON. CASS BALLENGER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. BALLENGER. Mr. Speaker, today I, along with over 60 of my colleagues, am introducing the Safety and Health Improvement and Regulatory Reform Act of 1995. The legislation will comprehensively change the Federal Occupational Safety and Health Act. Few Federal programs are in need of change as much as this one.

Ensuring and promoting the basic safety and health protections for workers in this country is a moral as well as an economic imperative. Safe and healthful working conditions for our Nation's workers is not and should not be a partisan matter, nor is it exclusively the interest or responsibility of any one group or special interest. Society, through government, employers, and employees themselves, have responsibilities in helping to make sure that life and limb are not the price for being employed.

Mr. Speaker, I am an employer and a businessman myself. I know that for most employers, the phrase ''our employees are our most valuable resource'' is not mere rhetoric, but the way in which we view our businesses. For too long, the Federal Government, particularly in programs like OSHA, has viewed employers as adversaries, to be policed and watched over with all kinds of rules and penalties if those rules should be broken in any detail. I know that there are people in business who try to take shortcuts, and there are some who are just plain crooks. There needs to be enforcement. But heavy enforcement should be the last resort, not the first resort.

To be committed to worker safety and health does not mean to be committed to the way in which OSHA has been operating. President Clinton recently stated it quite well:

> * * * frankly sometimes the rules have simply become too complex, too specific for even the most diligent employer to follow, and that if the government awards inspections for writing citations and levying fines more than ensuring safety, there's a chance you could get more citations, more fines, more hassle, and no more safety.

That is the problem we are trying to address with this legislation: Too often OSHA has had too little to do with promoting basic safety and health for workers, and too much to do with promoting Government rules.

In my view nothing illustrates how OSHA has gone off on the wrong track more clearly than the fact that today few if any employers would ever call OSHA and ask for assistance or advice on workplace safety or health. That is not because employers don't want assistance, or are not aware of the importance and cost savings from avoiding workplace accidents and injuries. It is because OSHA's mission has become misdirected into a simply finding violations of regulations and issuing penalties.

We believe that a more fair and more effective workplace safety and health program would rely primarily on nonenforcement efforts, with enforcement reserved for those situations and employers where the circumstances show that enforcement is necessary and justified. Our bill reserves, after a 3-year phase-in period, one-half of OSHA's funds for nonenforcement efforts. Those funds would be used:

To expand the State consultation grants program which provides on-site assistance to small businesses in high hazard industries. In many States, the shortage of resources has meant waiting periods of up to 2 years for employers who seek these services.

To expand OSHA's Voluntary Protection Program [VPP], which recognizes and grants exemption from enforcement inspections for employers with exemplary safety records and programs.

To support additional training, education, and outreach programs, designed to promote safe work practices with employers and employees.

To establish and oversee a new certification program for private individuals to conduct workplace safety and health reviews. Once underway this program would allow employers the opportunity to be free of OSHA inspections as long as the employer had no reportable accidents—fatalities or multiple injuries—and no employee complaints.

The use of private individuals to conduct workplace safety and health reviews in lieu of OSHA inspections was part of Vice President GORE's proposed reinvention of the Federal Government. It died in the hands of an agency that is unwilling to give up the notion that but for OSHA employees have no protection against their employers. That notion is not only false, it is silly. The fact is, as many of my Democratic colleagues frequently point out, OSHA inspects only a small number of worksites and employers every year—around 40,000 in recent years. Many employers avoid inspection for years—in fact, it is this inequity of inspections, in which some employers are inspected nearly every year and their competitors may never be inspected, that along with the arbitrariness of citations and fines, often fuels the rage of employers against OSHA. Vice President GORE's National Performance Review rightly recognized that ''an army of OSHA inspectors'' was neither necessary nor, in light of the Federal budget situation, likely. The use of private individuals to conduct workplace reviews provides a means of extending expertise and attention to workplace safety and health, while allowing us to reduce the role of the Federal Government.

Our bill makes one other important change in regards to putting the emphasis of the program back on safety and health, rather than on collecting penalties. OSHA's interpretation of the current statute is and has long been that an inspector who observes a violation of any regulation, unless the violation itself can be classified as de minimis, must issue a citation for that violation. It does not matter whether the violation is not threatening to any employees. Nor does it matter whether the employer knew of the regulation—he or she is presumed to know all of what is printed in the Federal Register and in unending compliance directives from Washington.

OSHA has announced that it will soon begin a program to reduce penalties for alleged violations that are corrected immediately, while the inspection is still underway. While this may seem like only common sense, it at least takes OSHA a step in the right direction. But it certainly does not go far enough. Under our bill, the general rule would be that OSHA will work with employers to identify and correct hazards, and that only if the employer fails to do so, or if a violation has caused a serious injury or death, a fine would be issued. OSHA's mission should be abatement of safety and health hazards and safer workplaces, not collecting revenues for the Federal Government. When the employer corrects the problem, and no one has been injured or killed as a result of a violation, the Federal Government's interest in safety and health is satisfied.

In addition to refocusing OSHA on what should be its mission—safety and health, this bill implements two pieces of legislation already passed by the House. First, with regard to how regulations will be issued, the bill includes the reforms overwhelmingly passed by the House earlier this year and incorporated into H.R. 9.

Second, consistent with the House-passed budget resolution, the bill includes the merger of the Mine Safety and Health Administration with the Occupational Safety and Health Administration and the elimination of the National Institute on Occupational Safety and Health [NIOSH] as a separate agency within the Department of Health and Human Services. Although we are merging MSHA and OSHA, I do want to emphasize to my colleagues that the bill specifically directs the newly merged agency to continue to enforce mining regulations in mines, and to maintain its corps of specialized mine inspectors. In fact, the bill requires that the kind of specialized and expert inspectors that have been the strength of the mine safety program also be the model for how OSHA's inspectorate should be improved.

Mr. Speaker, following is a section-by-section description of our legislation. I would welcome my colleague's support and cosponsorship and I look forward to working with my colleagues in helping to pass this much needed legislation.

SECTION-BY-SECTION DESCRIPTION OF THE SAFETY AND HEALTH IMPROVEMENT AND REGULATORY REFORM ACT OF 1995—JUNE 14, 1994

Section 1. Short Title, Table of Contents, Reference.

Section 2. Standards.

Requires that standards issued by OSHA be based on risk assessment, regulatory impact and cost-benefit analysis, similar to proposals already adopted by the House. Requires that the risk assessment and cost-benefit analysis be industry-specific.

Requires that benefits be ''justified by and be reasonably related'' to be costs of the standard.

Requires that standards be ''feasible'' and ''practical.''

Prohibits OSHA from citing an employer under a standard if a request from the employer for a variance on the standard involved has been pending for more than 90 days.

Requires that each standard in effect at the time of enactment be reviewed within 7 years for compliance with the new risk assessment and cost-benefit criteria. Creates a petition process whereby affected parties can obtain review of existing standards for compliance with the new criteria. Requires the Secretary to accept or reject the petition regarding a standard within 120 days.

Requires independent peer review of the economic and scientific data which forms the basis for the standard, including the relevance of the data to industries and workers affected by the standard. Requires the panel to be broadly representative and balanced.

Section 3. Notice of Violation.

Requires that OSHA issue a warning to employers and specifies a reasonable time frame to fix the alleged violation. If the violation is not corrected within 30 days (or shorter if it constitutes a direct threat to employees) a citation may be issued. Exceptions to this policy would be allowed if a fatality or serious injury occurred.

Eliminates penalties for posting, recordkeeping, reporting, or notification unless there is a direct threat or injury or intent to mislead or deceive employees or OSHA.

Section 4. Consultation, Incentives for Voluntary Action, and Technical Assistance.

Creates a new program allowing certified individuals to conduct safety and health reviews for employers. Exempts employers who utilize such individuals from random OSHA inspections.

Expands the Small Business Consultation program.

Codifies the Voluntary Protection Program (VPP) which recognizes and provides an exemption for employers with exemplary programs and safety records.

Transfer NIOSH training functions to OSHA.

Targets at least 50 percent of OSHA funds (after a three year phase-in) for non-enforcement activities (small business consultation, training, education, and compliance assistance programs).

Section 5. Removal of Barriers to Voluntary Safety and Health Activities.

Provides that an employee participation program which deals in whole or in part with safety and health is not a violation of section 8(a)(2) of the National Labor Relations Act.

Provides a legal ''privilege'' for safety and health audits which are done voluntarily by an employer.

Section 6. Inspections.

Requires that an employee bring a complaint over an alleged violation of a safety or health standards to attention of the employer before filing with OSHA. If the employer fails to correct the violation, the employee may then file a complaint with OSHA. Requires that a copy of the complaint be provided to the employer no later than the time of the inspection.

Creates a legal requirement that OSHA inspections be conducted by at least one individual who has technical expertise by training or experience in the industry under inspection.

Requires OSHA to enter agreements with other enforcement agencies to check for fire hazards and report them to OSHA if necessary.

Exempts small businesses (fifty or fewer employees) that have below average injury rates from random safety inspections.

Codifies appropriation exemption for small farms (employing 10 or fewer workers and not maintaining a labor camp) from random safety inspections.

Section 7. Employer Defense.

Provides a defense against citation for ''employee misconduct.''

Creates a defense for employers who have utilized alternative methods which are equally or more protective of an employee's safety and health in the workplace.

Provides a defense against any regulatory action of an employer is in compliance with another federal requirement which overlaps or is in conflict.

Section 8. Penalties.

Repeals separate penalties for ''willful'' and ''repeat'' violations.

Lists seven criteria to be used in assessing penalties.

Creates a special assessment which allows higher penalties in cases where violations cause a death or an excessive number of serious injuries.

Provides that no penalties may be issued unless a standard or regulation exists.

Clarifies that state or local law enforcement agencies may conduct criminal prosecutions for conduct falling under state criminal laws.

Section 9. Review by the Commission.

Extends the time an employer may contest a citation from 15 to 30 days.

Gives deference to interpretations of standards by the Commission (overturns the CF&I case).

Increases the number of members of the Commission from 3 to 5 and specifies that one member of the Commission should have experience in mining.

Allows parties to waive formal proceedings before the Commission.

Section 10. NIOSH Repealed.

Repeals the National Institute of Occupational Safety and Health.

Section 11. State Workmen's Compensation Commission Repealed.

Repeals this Commission which has completed its function.

Section 12. State Programs.

Encourages state OSHA programs to follow federal standards when applicable to products or labeling.

Provides additional flexibility to state OSHA programs by allowing states to adopt alternative methods of enforcement that are at least as effective as the Federal program.

Section 13. Discrimination.

Extends time for filing complaints to 60 days. Requires that DOL notify the person named in the complaint and investigate within 60 days. Provides that if DOL does not decide to prosecute the case within 60 days, the complainant may take the case directly to the Review Commission for a hearing and a decision. Provides for an appeal of the Commission decision to the Court of Appeals. Encourages the use of mediation in all disputes.

Section 14. Coverage of Federal Agencies.

Covers all federal agencies under the federal OSHA requirements.

Section 15. Federal Agency Safety Programs.

Repeals Section 19 of current law which requires federal agencies to maintain their own safety and health programs (repealed because of changes described in Section 14).

Section 16. Prevention of Alcohol and Substance Abuse.

Provides ''safe harbor'' for employers conducting drug and alcohol testing which follows HHS (drug) and DOT (alcohol) guidelines. Authorizes OSHA to conduct drug and alcohol testing when investigating workplace deaths and serious injuries.

Section 17. Mine Safety and Health.

Merges the Mine Safety and Health Administration (MSHA) with OSHA.

Transfers all MSHA standards to OSHA.

Requires all underground mines to be inspected at least once per year.

Requires all mining inspectors to have 5 years of practical mining experience.

Authorizes closure orders in cases of imminent danger and requires that such order be reviewable in court within one day.

Authorizes fines against miners who violate the mandatory safety standard related to smoking in the mine.

Section 18. Recordkeeping and Reporting.

Modifies recordkeeping requirements to insure that recordable injuries and illnesses are work-related, involve medical treatment, and include one or more days of lost work or restricted work.

Specifies that any records of injuries and illnesses submitted to the Secretary may not be disclosed in any manner that identifies individual employers or workplaces.

Section 19. Definitions.

Defines ''serious injury'' and ''industry.''

Section 20. Miscellaneous Technical Amendments.

Requires the Secretary to provide recommendations for legislation to avoid unnecessary duplication and coordination between this Act and other federal laws.

Requires OSHA to establish a program for certification of equipment and specifies that it be conducted by nongovernmental entities unless such facilities are not available.

Although not specifically referenced in this legislative language, it is assumed that NIOSH research activities will be transferred to another governmental agency.

Section 21. Effective Date.

This Act become effective 120 days after the date of enactment.

A SALUTE TO ENERGY RESEARCH IN AMERICAN SCHOOLS

HON. JAMES T. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1995

Mr. WALSH. Mr. Speaker, today I rise to commend a schoolteacher in my home district who has done a quite remarkable thing. He has led a team of high school students who built a solar-powered vehicle to become national winners of the 1995 American Tour de Sol for the best student car in the open class presented by the U.S. Department of Energy.

The teacher is Earl Billings, technology instructor at Cato-Meridian High School, a 340-student school in Cato, NY. The accomplishments don't start with the 1995 Tour de Sol title. I will list a few others in a moment. But I don't want the most important point to be lost here. That point is, research into the future is being done in our schools. It is being done all over America, in rural communities such as Cato as well as in larger cities where universities and foundations often support student teams in research the use of solar power in the future and other important projects.

And, once again, a teacher is at the helm, is the inspiration, is the guiding force—not only by giving instruction but by leading, by communicating, by relating. By planting seeds of self-worth and pride and by literally building something tangible from something abstract—an idea.

Today is Earl Billings Day in Cayuga County, as proposed by County Legislator Ralph Stanbrook, a true civic leader with whom I have worked on several community projects. In recognizing Mr. Billings, we both hope to once again draw attention to what is good in American schools—and to give credit where it is due.

And in this instance it is most definitely due.

Mr. Billings teaches a course entitled Energy, a subject which has been identified by the New York State Education Department as a highly important area of learning for high school students. Forms of energy are discussed, and their relation to our environment is presented. To get the C–M students more interested, Mr. Billings proposed the class take on the ambitious goal of designing, constructing, and testing a full-size, solar-powered electric vehicle.

That was in 1990, and what began as a teaching tool quickly came to be an unusual nonclassroom success story for the students and their vehicle, Sunpacer.

Sponsored by the North East Sustainable Energy Association from May 22 to May 26, the 1995 American Tour de Sol ran from Waterbury, CT, to Portland, ME, a total of 330 miles through five States. Sunpacer finished first in its division.

Winning was not new for the team. Students from Cato-Meridian have been racing Sunpacer since 1991. That is when they first qualified for the Tour de Sol but had to pull out to honor an earlier commitment to show the vehicle at a New York State event. That event represented their third-place ranking out of 750 projects submitted to the Student Energy Research Competition that year.

They were back in the Tour de Sol in 1992 to win the national championship; in 1993 they placed third and in 1994 they placed second before regaining the national title this year.

As outlined by Mr. Billings, there were five goals, among them to ''help reduce the millions of barrels of oil we use daily''; to heighten public awareness of electric vehicles; to show that if high school kids can build a solar-powered car, business can; to develop student skills in critical thinking, problem solving, research, and engineering; and, listed No. 1 on the important goal list, ''I wanted to excite my students about energy.''

I join the Cayuga County Legislature in saluting Mr. Earl Billings today. I encourage him to continue with this project and I congratulate him on excelling in his chosen profession.

I might add that I will look for Earl Billings and the students who work on the 1996 Tour de Sol next May. The planned route starts in New York City and ends right here in the Nation's capital, Washington, DC.

Best of luck to all the students involved with this fascinating and productive project.

HONORING ANJILA J. LEBSOCK

HON. ED PASTOR

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1995

Mr. PASTOR. Mr. Speaker, I would like to take this opportunity to congratulate Ms. Anjila J. Lebsock who recently was 1 of 10 students to receive the All-American Vocational Student Awards.

A Cibola High School senior in Yuma, AZ, Anjila's special talents and determination were recognized early on by her teachers. After expressing an interest in the field of electronics, she was immersed in a special curriculum to meet her needs. During the day, she completed advanced placement courses while maintaining her rank as 1 of the top 10 students in her class. After school hours, Anjila pursued vocational studies at Arizona Western College, studying servo robotics, programmable controllers and computer-integrated manufacturing. These led her to special training programs with Weyerhauser Paper Co., the United States Bureau of Reclamation and Allied Signal. Her robotics projects earned her numerous awards at the local, State and National Levels.

In addition to displaying leadership in the classroom and the robotics lab, Anjila has also excelled as a community leader. She has represented the State of Arizona as a national VICA delegate, and held offices as regional vice president and as parliamentarian. She has also devoted many years as a Girl Scout leader and as a volunteer in the Yuma Crossing Park. Anjila's goal is to pursue a career as a manufacturing engineer.

Anjila's accomplishments point not only to the value of vocational education, but to the courage and spirit of our Nation's youth. She serves as an inspiration to us all. Again, I send my sincerest congratulations to Anjila for this deserved recognition and wish her even greater success in the future.

IN HONOR OF THE PARTICIPANTS OF THE 46TH INTERNATIONAL SCIENCE AND ENGINEERING FAIR

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1995

Mr. MENENDEZ. Mr. Speaker, I rise today to pay tribute to a group of New Jersey students for their participation in the 46th International Science and Engineering Fair [ISEF] which was held in Hamilton, Ontario, Canada from May 7–13, 1995.

Among the award winners were two young women from Jersey City public schools: Academic High School sophomore Rituparna Das, and Dickinson High School senior Shital Shah. Rituparna won the Second Place Grand Award and the First Place Award of the American Ground Water Society for her project on the removal of heavy metals by absorptive filtration. Shital won the Third Place Grand Award for her environmental project dealing with the biodegradation of trinitroglycerin. She previously won first prize in a competition sponsored by the New Jersey Academy of Science for the same award.

I am proud to have such high achieving students in Hudson County. Their work is exemplary and deserves to be recognized. Their achievements are particularly important because we as a Nation must be ready to compete scientifically in the 21st century. Rituparna and Shital have demonstrated their commitment to future scientific excellence by participating in the fair. Their accomplishments make me feel confident that we as a Nation will be scientifically competitive for years to come.

These New Jersey students were part of an international competition that included students from throughout the United States and its territories as well as 30 other countries. The 1,500-plus fair participants exhibited a total of 1,019 projects. The fair represents the culmination of a yearlong process involving more than 1 million students participating at various local, regional, State, and national science fairs. Since each fair can send only two delegates, Rituparna and Shital represent the best of the best of young scientists in Hudson County.

I would also like to thank the Jersey Journal for enthusiastically sponsoring the Hudson County Science Fair [HCSF]. The fair is an important showcase for the area's young scientists and the Journal's commitment to it demonstrates their ties to the community.

CARAMOOR TESTIMONIAL

HON. SUE W. KELLY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1995

Mrs. KELLY. Mr. Speaker, it is with great pride that I rise today to pay tribute to one of the greatest treasures of my district as it celebrates its 50th anniversary; Caramoor Center for Music and the Arts.

Located in Katonah, NY, the vision of Caramoor began in the New York City townhouse of Walter and Lucie Rosen. Avid collectors of renaissance and oriental art, as well as accomplished musicians, the Rosen home was host to many of New York's most prominent performers and cultural patrons. Upon the completion of their weekend home in Katonah, the Rosen's moved both their vast collection of art work and their tradition of presenting intimate concerts, to their new home. Upon the death of their son in World War II, the Rosen's bequeathed Caramoor ''as a Center for Music and the Arts for the Town of Bedford and the State of New York'' thereby giving us the gift of a haven, comprised of aesthetic pleasures that serve to uplift the human spirit.

The first formal musical offerings at Caramoor, began 50 years ago as a series of concerts and recitals that were presented in both the grand music room and the Spanish courtyard of the main house. In 1958, the construction of an outdoor Venetian theater, allowed for the expansion of these programs as well as audiences providing a venue for the presentation of orchestral and opera performances on a larger scale.

Building upon this tradition, Caramoor has become a mainstay on the international music scene. Now home to an 8 week music festival that, under the leadership of Howard Herring and the artistic direction of Andre Previn, has attracted such starts as: James Gallway, Barbara Cook, Sylvia McNair, and Yo-Yo Ma as well as many of the most promising musicians of the next generation through its rising stars program. Caramoor rightly deserve the New York Times assessment deeming it ''the loveliest musical festival of them all.'' From the intimacy of the Baroque period, to the rousing notes of Count Bassie, the concerts of Caramoor account for a wide variety of musical tastes and have educated and inspired generations.

Situated on 100 acres of woodlands, lawns and exquisite formal gardens, the Caramoor experience is unique in that it removes many of the facades that often accompany such offerings, and allows audiences to convene with nature while enjoying music in its purest form. With recent additions such as the Touch Tour of the Museum House and the Marjorie Carr Adams Sense Circle, a garden comprised of different aromatics, sounds and textured grasses designed especially to maximize the enjoyment of the visually impaired, mentally and physically challenged as well as children, Caramoor remains committed to ensuring the accessibility of its spirit to all.

Whether strolling through the gardens, picnicking in the orchard or listening to harmonies under the stars, Caramoor allows people to lose themselves in the moment, and to regain a sense of serenity and peace in their lives.

It has often been said that music is food for the soul; may Caramoor continue to provide us with nourishment for another 50 years.

Mr. Speaker, it is an honor to salute all of those who have built and maintain this national treasure.

THE DISTRICT OF COLUMBIA CONVENTION CENTER PRECONSTRUCTION ACT OF 1995

HON. ELEANOR HOLMES NORTON

OF DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1995

Ms. NORTON. Mr. Speaker, today I am introducing a bill which authorizes the District to do the preliminary work for the convention center, which, during this period of fiscal crisis, will be a major revenue raising source for the District of Columbia. The bill will allow the District to use funds raised through hotel and restaurant taxes designated to support this project. Much to its credit, the hotel and restaurant sector came forward on its own to suggest this new tax on themselves to finance the center. No existing District operating funds are committed under this bill.

Mayor Barry and the city council have assigned a very high priority to the new convention center because of its revenue-generating potential at a time when the city is in acute financial distress. They are anxious to have this bill introduced and moved quickly.

These funds will enable the District to do vital preconstruction work, including environmental studies and architecture and design studies. The District will be able to move forward and build the new convention center, returning the District to competitiveness in the convention and tourism market. Without a new center, the District will be unable to attract the increasing numbers of large conventions seeking to meet in the metropolitan region and the substantial disposable income these conventions bring to the city.

I am particularly pleased that Representative TOM DAVIS, chairman of the Subcommittee on the District of Columbia, has agreed to be an original cosponsor of a bill that invests in the District's economy.

TRIBUTE TO ROBERT J. PATTERSON

HON. WAYNE T. GILCHREST

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1995

Mr. GILCHREST. Mr. Speaker, I rise today to salute Mr. Robert J. Patterson, the man who was the driving force behind the New POW/MIA postage stamp. Mr. Patterson, a two-tour VietNam veteran, currently employed but the Department of Veteran Affairs Medical Center in Perry Point, MD, devote 5 years of his life toward honoring POW/MIA's with their own postage stamp. Mr. Patterson spent countless hours meeting with House and Senate staff members, VietNam Veterans of America, Veterans of Foreign Wars, the American Legion, disabled American Veterans, American Ex-Prisoners of War, as well as every veterans association medical center in the country. With these veterans groups, Mr. Patterson gather nearly 2 million signatures on his POW/MIA postage stamp petition form.

Mr. Patterson's efforts proved successful when the U.S. Postal Service issued the new POW/MIA postage stamp on May 29, 1995. with the American flag as its backdrop, the stamp pictures a pair of military ID tags embossed with the words ''POW & MIA—NEVER

FORGOTTEN.'' The stamp serves as a fine tribute to the brave Americans who fought for this country and were either imprisoned by enemy forces or have been classified as missing in action. All of these soldiers will forever be heroes and will forever be remembered.

Mr. Patterson's achievement is no small feat. Only the second commemorative POW/MIA stamp ever issued, the new stamp embodies how the vision and hard work of one volunteer can result in a great accomplishment. The first commemorative POW/MIA stamp was issued by the Post Office in 1970 in the form of a 6 cent postage stamp. Had it not been for Mr. Patterson's effort, that may have been the last stamp honoring the Nation's many POW's and MIA's. Mr. Patterson's love of and devotion to our great Nation, as well as to our POWs and MIAs, should serve as a model for all Americans.

I commend Robert Patterson for his tireless efforts in bringing about the POW/MIA postage stamp. Mr. Patterson's efforts on behalf of the stamp showed for all the world our country's commitment to the message of the POW/MIA cause, ''You Are Not Forgotten''; not forgotten also will be Mr. Patterson's message to the cause.

In closing, I reiterate Mr. Patterson's simple message to the many groups he addressed and to the volunteers who assisted him: Remember.

25TH ANNIVERSARY OF THE LENINGRAD TRIALS

HON. PETER T. KING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1995

Mr. KING. Mr. Speaker, I rise today to participate in the observance of the 25th anniversary of the arrests and beginning of the Leningrad Trials, the seminal event in the effort to rally support for the beleaguered and persecuted Jewish community in the Soviet Union.

In remembering the Leningrad Trials, I also want to recognize one of my constituents, Lynn Singer, who has been a tireless advocate on behalf of Soviet Jewry and, more recently, a crusader against official and unofficial anti-semitism in the former Soviet Union. Lynn, as the longtime executive director of the Long Island Committee for Soviet Jewry [LICSJ], has developed an international reputation as a result of her persistence, determination and leadership in the cause of human rights and freedom. I am proud to be her Representative in the People's House and to have participated in LICSJ vigils, demonstrations and marches. I look forward to continuing to work with Lynn Singer in the weeks and months ahead.

As many Members of this institution will recall, 25 years ago, a group of courageous young men and women from around the Soviet Union met to develop a plan to fly to freedom and realize the impossible dream of emigrating to the land of their choice. In spite of knowing the KGB had learned of their plans and that they faced severe penalties if they were apprehended, a few of these men and women bought tickets on a small commuter plane destined for Norway. Tragically, before even boarding the plane, Soviet police arrested each of them.

Far from crushing the fledgling human rights movement in the Soviet Union, this event focused attention on the plight of Soviet Jewry and all those who wanted secure basic human rights for people behind the Iron Curtain. In response to the Leningrad Trials, organizations were formed in the United States to monitor human rights conditions in the U.S.S.R. and win the freedom of Jewish refusniks. This grassroots movement succeeded in keeping human rights an issue on the international stage and put enormous pressure on the Kremlin during periods of cold war, detente, the Reagan defense build-up, perestroika and, finally, the collapse of the Communist Party of the Soviet Union.

That is why we should take time today to remember the sacrifice of those who, at great risk to themselves and their loved ones, made a stand when things were the very bleakest—Anatoly Altman, Hillel Butman, Mark Dymshitz, Leib Khnokh, Edward Kuznitsov, Joseph Mendilovich, Boris Penson, Wulf Zulmanson, Israel Zalmanson and Sylvia Zalmanson, all living in Israel, and Yuri Federov and Aleksei Murzhenko, now living in the United States.

I hope all in this chamber will join with me to make certain that the courage demonstrated in the winning struggle for freedom will never be forgotten.

Mr. Speaker, in closing, I would like to again recognize the many good works and accomplishments of my constituent, Lynn Singer, as well as the many supporters of the LICSJ and all those in the United States and around the world who demonstrated their concern about prisoners of conscience in the U.S.S.R. since June 15, 1970. Thank you.

TRIBUTE TO GEN. GORDON R. SULLIVAN

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1995

Mr. SPENCE. Mr. Speaker, today, I wish to recognize Gen. Gordon R. Sullivan, Chief of Staff of the U.S. Army, who will retire on June 20, 1995. General Sullivan's career spans 36 years, during which he has distinguished himself as a soldier, a leader, and a visionary advisor to both the President and the Congress. Let me briefly recount to you the career of this distinguished servant of our Nation.

A native of Boston, MA, General Sullivan graduated from Norwich University in 1959 and was commissioned as a lieutenant in the Armor Branch of the U.S. Army. During his career, he has commanded at the platoon through the division levels. In Europe, he commanded the 4th Battalion, 73d Armored Division and the 1st Brigade, 3d Armored Division, followed by an assignment as the 3d Armored Division's Chief of Staff. He served as the 1st Infantry Division Operations Officer at Fort Riley, KS and as the VII Corps Operations Officer in Germany. Subsequently, he served as the assistance commandant of the Armor School at Fort Knox, KY; on the North Atlantic Treaty Organization [NATO] staff as the Deputy Chief of Staff for Support of the Central Army Group in Germany; and as the deputy commandant of the Command and General Staff College at Fort Leavenworth, KS. He next served as the commanding general of the 1st Infantry Division at Fort Riley, KS.

Since the summer of 1989, General Sullivan has served in positions of increasing responsibility with the Army at the Pentagon: first, as the Deputy Chief of Staff for Operation and Plans; then, as the Vice Chief of Staff; and since June of 1991, as the Chief of Staff. His arrival at the Pentagon coincided with a historic shift in the strategic position of the United States. This was a period of both great turmoil and great success—successes directly attributable to the dedicated efforts of General Sullivan. During this time, we won the cold war and began the process of decreasing the size of the Army by a third. We were threatened in the Gulf—and fought and won a war. We saw the emergence of new and diverse threats and new techologies—and the Army changed both intellectually and physically to meet the new challenges.

Throughout this period of historic change, General Sullivan provided outstanding leadership. He oversaw the transformation of the Army from a cold war, forward deployed force, into a power projection force, ready to defend our national interests in any corner of the world. While meeting the challenges of today, General Sullivan prepared the Army for tomorrow, as well, with a farsighted and far-reaching vision of the conduct of future war. His determination to keep the Army trained and ready, his sense of responsibility to his soldiers and the Nation, and his understanding of both our history and the future of armed conflict, have given our great country an Army that is capable of achieving decisive victories into the 21st century.

General Sullivan's career has been the epitome of selfless service to our Nation, and he is the quintessential example of all we could hope our military leaders to be. Through his decades of dedication to duty and the accompanying sacrifices, he has been supported by a loving family. General Sullivan's wife, Gay, their children, John, Mark, and Elizabeth, and a grandson Christopher have contributed, in countless ways, to the career of this dedicated soldier.

Mr. Speaker, Gen. Gordon R. Sullivan is a consummate professional, a defender of the Constitution, and a leader of demonstrated moral and physical courage. It is with great respect and appreciation that I offer this tribute to his impressive career in the U.S. Army.

PERSONAL EXPLANATION

HON. KWEISI MFUME

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1995

Mr. MFUME. Mr. Speaker, I was, unfortunately, detained in my congressional district in Baltimore earlier today and thus forced to miss two record votes. Specifically, I was not present to record my vote on roll call vote number 380, approving the previous day's journal, and roll call vote number 381, the Markey amendment.

Had I been here I would have voted yea on roll call vote number 380 and yea on roll call vote number 381.

CALIFORNIA HAS BORNE ITS SHARE OF BASE CLOSURES—EFA WEST SAN BRUNO SHOULD NOT BE CLOSED

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1995

Mr. LANTOS. Mr. Speaker, the Defense Base Closure and Realignment Commission will soon make its recommendations to the President on which military bases to close. The Commission has received testimony from hundreds of witnesses, has made countless site visits and will consider thousands of pages of data on the effect of base closings on our Nation's military readiness. In making its decisions it will be imperative that the Commission also take into consideration the economic impact of its decisions.

In the case of a military facility in my congressional district, the Engineering Field Activity West in San Bruno, or EFA West, the Navy recommended not closing this facility because it was concerned about the economic impact of closure on the community. I believe that the Navy was correct in not slating EFA West for closure and I also believe that closing EFA West will have a disastrous effect on the Pentagon's ability to close bases already slated for closure.

Mr. Speaker, on Tuesday, June 13, 1995, I presented testimony before the Defense Base Closure and Realignment Commission on the issue of closing of additional military bases in California. In my testimony, I reminded the Commission that no State has borne the bulk of military base closures as California has and that previous rounds of base closures have turned out to be of tremendous adverse economic impact in California. I also explained to the Commission that EFA West's strategic location best serves military operations and that it is essential to the Pentagon that this installation and its personnel remain in San Bruno. Mr. Speaker, I would like to place my testimony in the RECORD.

STATEMENT OF CONGRESSMAN TOM LANTOS, 12TH DISTRICT OF CALIFORNIA

Thank you, Mr. Chairman and Members of the Commission for the opportunity to say a few words on the critical issue of base closures in California and particularly on the future of the Engineering Field Activity West in San Bruno, California, which is located in my Congressional district.

Mr. Chairman, I share your deep commitment to a strong and effective national defense. With the end of the Cold War and the collapse of the Soviet Union, it is appropriate and necessary that we reconsider and evaluate our defense posture. At the same time, we must take into consideration local impacts of these base closure decisions. There will be pain from the realignment of our military facilities, but that pain should be proportionately shared and spread among all regions of our nation and among all of our states.

Mr. Chairman, I have very serious concerns about the effect of base closures upon California's economy—particularly since our state has sustained a disproportionate number of job losses stemming from military base closures. As a result of base closures in 1988, 1991, and 1993, California has suffered 69% of the nation's base closure job losses. California will suffer even more job losses as a result of possible base closures projected for this year. Future base closings must take into consideration the effect on the local economy, as well as the effect on our nation's military readiness.

I have serious concerns about the substantial impact base closures will have on the families of thousands of California workers who will lose their jobs. I am concerned about the impact that closing more bases will have on California communities. Clearly, the citizens of our state should not be asked to suffer additional hardship and dislocation from additional base closures. I urge you to take into account the devastating effects that previous base closures have already had on California's economy as you consider further base closures for our state.

Mr. Chairman and Members of the Commission, I am particularly concerned about the possible closure and realignment of the Navy's Engineering Field Activity, which is located in San Bruno, California. Moving personnel from San Bruno to San Diego or another location will have a disastrous effect on the Pentagon's ability to close bases already slated for closure and will slow the process of closing new bases.

As you know, the Engineering Field Activity West (EFA West) is responsible for assisting in the closing of the following facilities that have been previously scheduled to close: Mare Island, Alameda Naval Air Station, Treasure Island, Hunter's Point, Skaggs Island, Moffet Field and Oakland Naval Hospital. It is my understanding that EFA West's base closure activities require continuous contact with local public officials, the public and regulatory agencies in San Francisco. When you consider the monumental task the Pentagon must undertake in closing bases and in working with the affected communities and contractors, it is absolutely clear that the functions of EFA West—which includes important environmental cleanup and property disposition expertise—require a local presence. This is a key function that cannot be handled effectively or efficiently from hundreds of miles away.

Since 1988, the federal government has ordered 70 bases closed—21 of them or almost one-third of the bases are in California. In the effort to close these bases, military officials have run into problems with environmental cleanup and the disposition of property. Problems were inevitable, but they have contributed to substantial time delays and higher cost in closing these bases.

When you begin your deliberations on presenting a list of bases for closure to the President, I believe that you must take into account whether it is in the best interest of the military and the taxpayer to close EFA West, when EFA West's central mission is to provide the technical support and expertise in environmental cleanup and the disposition of property necessary for the closing of other bases. Clearly, if Northern California is to be affected by even more base closures in this current round of downsizing, EFA West's strategic Northern California location and its expertise will be even more essential to the military and affected communities in ensuring that base closures will be achieved in the most cost effective and efficient manner.

Mr. Chairman and Members of the Commission. EFA West has a dedicated and committed staff of experienced personnel and unique and thorough knowledge in their respective fields. Closing that facility could well deny to the federal government the critical expertise which these dedicated and hardworking employees bring. If EFA West is closed, most of these employees will not be willing to relocate out of the Bay Area—they have strong ties to their communities and to their families, neighbors and friends. If these dedicated workers are lost, the Navy will have to expend considerable time and expense in finding replacement workers and training them in order to continue EFA West's critical mission, which must be maintained to complete base closures elsewhere.

Lastly, Mr. Chairman and Members of the Commission, the Secretary of the Navy, John Dalton, testified before you in March of this year, that the Navy had decided not to place EFA West on its list of recommendations for closure because it was concerned about the impact on the local economy. The Navy was absolutely correct in considering economic impact when it decided it was necessary to keep EFA West open.

More importantly, however, EFA West's San Bruno location strengthens the military's ability to serve the needs of our region. EFA West's strategic location in San Bruno best serves military operations. It is essential for this installation to remain open to fulfill the responsibilities of base closure and base realignment. When you submit your recommendations for base closure or realignment to the President, I urge you NOT to place EFA West on your base closure list.

Thank you very much.

HONORING EAGLE SCOUT DREW MONSON

HON. ED PASTOR

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1995

Mr. PASTOR. Mr. Speaker, I want to call attention today to a major milestone and achievement of a most accomplished young man.

This coming Sunday, in Tucson, AZ, Drew Monson will be awarded the rank of Eagle Scout. This is a level of achievement attained by only 2½ percent of all Boy Scouts. Drew joins the ranks of approximately 1 million others who, since 1911, have achieved this goal.

As his final project toward becoming an Eagle Scout, Drew spent more than 150 hours planning and directing 17 different volunteers in the construction of a nature trail at the Saguaro National Park in Tucson.

This is not Drew's only accomplishment. He will soon begin his senior year as an honor student at Salpointe High School in Tucson, AZ. In addition, he has earned six varsity letters in track and field and cross country running. He is also a skilled musician, specializing in piano. Complementing his other activities, he also participates in the activities of his Church of Jesus Christ of Latter Day Saints.

Drew Monson exemplifies the hopes and dreams that we hold for all of our youth. I am proud to add my voice to so many others in commending Drew for his attainment of the Eagle Scout rank. I wish Drew the best of luck in all to which he aspires.

IN HONOR OF FATHER DANIEL A. DEGNAN UPON HIS RETIREMENT AS PRESIDENT OF ST. PETER'S COLLEGE

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1995

Mr. MENENDEZ. Mr. Speaker, I rise today to pay tribute to a brilliant educator, a dedicated scholar, a religious leader, and the

president of St. Peter's College. Father Daniel A. Degnan, S.J. has served the college with distinction for the last 5 years. His achievements will be recognized at a special ceremony on Monday, June 19.

The presidency of St. Peter's College marks the culmination of a 26-year career in education, dating back to a teaching fellowship at Harvard Law School during the 1969–70 academic year. Father Degnan taught 5 years at the college of law at Syracuse University and from there spent 2 years at Georgetown University Law Center. He served as an administrator at Loyola College of Maryland and spent 12 years in New Jersey as an administrator and teacher at the Seton Hall University School of Law, 1978–90.

In 1990, he assumed the presidency of St. Peter's College where he undertook a major building program. During his tenure, the college has undergone major renovations, including the addition of two new residence halls. In addition, a new quadrangle and refurbished McIntyre Lounge, Hudson Room, and college store were completed. Under his leadership, the dream of an east campus has come to reality with the new Whelan Hall, renovations to Saint Peter Hall, and several other additions that have expanded the college east of Kennedy Boulevard.

As president of St. Peter's College, Father Degnan has distinguished himself, but that is nothing new for him. He has been recognized on numerous occasions for his contributions and is the recipient of the Papal Benemerenti Medal, 1992; the Thomas More Medal, 1992; the New York University Presidential Medal, 1994; the Hudson Catholic High School Signum Fidei Award, 1994; and he was named a Fellow of the American Bar Foundation, 1992; and a Seton Hall Law School Distinguished Alumnus, 1983.

Father Degnan's term at St. Peter's ends on June 30 and he will be greatly missed by everyone associated with the college. However, I am pleased to report that he will remain active writing about the works of St. Thomas Aquinas. Please join me in honoring a very special man.

STATEMENT IN RECOGNITION OF NATIONAL WRITE YOUR CONGRESSMEN, INC.

HON. SUE W. KELLY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1995

Mrs. KELLY. Mr. Speaker, at this time I would like to commend the work of a national organization called Write Your Congressmen. Founded in 1958, this organization helps focus and amplify the voice of the American people.

National Write Your Congressmen, Inc. provides the voters with an opinion ballot that outlines every side of the issues. They simply present the facts, in order to educate the public. And by doing so, they are creating a more responsible America.

There is nothing more important than citizen involvement in the democracy we have formed. By communicating their positions to their elected Representatives we create a true democracy. My colleagues and I welcome the information provided by the members of National Write Your Congressmen. This organization is truly dedicated to the betterment of America. Their interest is purely in encouraging citizens to be directly involved in their law making process. I am impressed by their candor and inspired by their cause.

Mr. Speaker, at this time I would encourage all my colleagues to become involved with National Write Your Congressmen, Inc., and I thank them for providing a more effective way of education and communication for all people, nationwide.

Daily Digest

HIGHLIGHTS

Senate passed Telecommunications Competition/Deregulation Act.

Senate

Chamber Action

Routine Proceedings, pages S8417–S8524

Measures Introduced: Ten bills and two resolutions were introduced, as follows: S. 924–933, and S. Res. 134 and 135. **Pages S8493, S8517**

Measures Passed:

Telecommunications Competition/Deregulation Act: By 81 yeas to 18 nays (Vote No. 268), Senate passed S. 652, to provide for a pro-competitive, deregulatory national policy framework designed to accelerate rapidly private sector deployment of advanced telecommunications and information technologies and services to all Americans by opening all telecommunications markets to competition, after taking action on further amendments proposed thereto, as follows: **Pages S8417–20, S8422–58, S8460–80**

Adopted:

(1) Warner Modified Amendment No. 1325, to require that each Bell operating company provide information on protocols and technical requirements for connection with and use of its telephone exchange service facilities. **Pages S8417, S8432, S8460**

(2) By 98 yeas to 1 nay (Vote No. 264), Pressler (for McCain) Amendment No. 1285, to means test the eligibility of the community users. **Pages S8417–19, S8436**

(3) Heflin Amendment No. 1367, to provide for a local exchange carrier to acquire cable systems. **Pages S8417, S8438–39**

(4) Hollings (for Breaux) Modified Amendment No. 1299, to require that at least 80% of vessels required to implement the Global Maritime Distress and Safety System have the equipment installed and operating in good working condition. **Pages S8417, S8474**

(5) By 59 yeas to 39 nays, 1 voting present, (Vote No. 267), Pressler (for Dole) Amendment No. 1341, to strike the volume discounts provisions. **Pages S8417, S8438–43, S8462–63, S8477–78**

(6) Pressler Amendment No. 1422, to substitute a dollar-based limit on small cable rate relief rather than one based on media ownership. **Page S8474**

(7) Pressler Amendment No. 1423, of a technical nature. **Pages S8474–75**

Rejected:

(1) Simon Modified Amendment No. 1283, to revise the authority relating to Federal Communications Commission rules on radio ownership. (By 64 yeas to 34 nays, 1 voting present (Vote No. 265), Senate tabled the amendment.) **Pages S8417, S8423–27, S8430–31, S8433, S8437, S8460**

(2) Lieberman Amendment No. 1298, to establish a determination of reasonableness of cable rates. (By 67 yeas to 31 nays, 1 voting present (Vote No. 266), Senate tabled the amendment.) **Pages S8417, S8422–23, S8427–30, S8431–38**

Withdrawn:

(1) Stevens/Inouye Amendment No. 1303, to ensure that resale of local services and functions is offered at an appropriate price for providing such services. **Pages S8417, S8438**

(2) Rockefeller Amendment No. 1292, to eliminate any possible jurisdictional question arising from universal service references in the health care providers for rural areas provision. **Pages S8417, S8438**

During consideration of this measure today, Senate also took the following action:

Kerry Amendment No. 1313, to clarify State ratemaking authority, agreed to on Wednesday, June 14, was modified by unanimous consent. **Pages S8474–75**

Commending Sheila Burke: Senate agreed to S. Res. 134, expressing the Senate's gratitude to Sheila B. Burke for her service as Secretary of the Senate. **Page S8480**

Authorizing Use of Capitol Grounds: Committee on Rules and Administration was discharged from further consideration of S. Con. Res. 17, authorizing the use of the Capitol Grounds for the exhibition of the RAH–66 Camanche helicopter, and the resolution was then agreed to. **Pages S8487–88**

Authorizing Production of Documents: Senate agreed to S. Res. 135, to authorize the production of documents, testimony from a former Senate employee, and representation by Senate Legal Counsel. **Page S8488**

National Highway System Designation Act: Senate began consideration of a motion to proceed to consideration of S. 440, to amend title 23, United States Code, to provide for the designation of the National Highway System. **Pages S8480–87**

A motion was entered to close further debate on the motion to proceed to consideration of the bill and, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, a vote on the cloture motion will occur on Monday, June 19, 1995. **Page S8488**

Senate will continue consideration of the motion to proceed to consideration of the bill on Friday, June 16.

Communications: **Pages S8492–93**

Executive Reports of Committees: **Page S8493**

Statements on Introduced Bills: **Pages S8493–S8516**

Additional Cosponsors: **Page S8516**

Amendments Submitted: **Page S8517**

Authority for Committees: **Page S8517**

Additional Statements: **Pages S8517–23**

Record Votes: Five record votes were taken today. (Total—268) **Pages S8436, S8437–38, S8478, S8480**

Recess: Senate convened at 9 a.m., and recessed at 6:57 p.m., until 10 a.m., on Friday, June 16, 1995. (For Senate's program, see the remarks of the Acting Majority Leader in today's RECORD on page S8524.)

Committee Meetings

(Committees not listed did not meet)

1995 FARM BILL: COMMODITY POLICY

Committee on Agriculture, Nutrition, and Forestry: Subcommittee on Production and Price Competitiveness held hearings on proposed legislation to strengthen and improve United States agricultural programs, focusing on commodity program policies, receiving testimony from Senator Burns; James H. Sanford, Prattville, Alabama, on behalf of the National Cotton Council; Tommy Hillman, Carlisle, Arkansas, on behalf of the USA Rice Federation; John Long, Newberry, South Carolina, on behalf of the American Soybean Association; Ross Hansen, Genoa, Colorado, on behalf of the National Association of Wheat Growers; Rod Gangwish, Shelton, Nebraska, on behalf of the National Corn Growers Association, James Earl Mobley, Alabama Peanut Producers Association, Shorterville, on behalf of the National Peanut Growers Group; Craig Anderson, Longmont, Colorado, on behalf of the American Sugarbeet Growers Association; James C. Barr, National Milk Producers Federation, Arlington, Virginia; Less Guthrie, Porterville, California, on behalf of the National Cattlemen's Association; Cindy Siddoway, Terreton, Idaho, on behalf of the American Sheep Industry Association; Pat Henderson, American Oat Association, Minneapolis, Minnesota; Bill Kubecka, National Grain Sorghum Producers, Abernathy, Texas; Robert P. Dixon, SF Services, Inc., North Little Rock, Arkansas, on behalf of the National Council of Farmer Cooperatives; and Dale E. Aupperle, American Society of Farm Managers and Rural Appraisers, Inc., Denver, Colorado.

Hearings were recessed subject to call.

BOSNIA

Committee on Armed Services: Committee continued hearings to examine United States policy regarding the conflict in Bosnia, receiving testimony from James R. Schlesinger, former Secretary of Defense and former Secretary of Energy; Richard L. Armitage, former Assistant Secretary of Defense and former Director, U.S. Assistance to Newly Independent States; and Col. Harry G. Summers, Jr., USA (Ret.), Bowie, Maryland.

Committee recessed subject to call.

FHA-INSURED AND ASSISTED MULTIFAMILY HOUSING

Committee on Banking, Housing, and Urban Affairs: Subcommittee on Housing Opportunity and Community Development concluded hearings on the Department of Housing and Urban Development's proposal to restructure the Federal Housing Administration-insured multifamily housing portfolio that receives HUD project-based Section 8 assistance, after receiving testimony from Susan Gaffney, Inspector General, Nicholas P. Retsinas, Assistant Secretary for Housing, Federal Housing Commissioner, and Helen Dunlap, Deputy Assistant Secretary for Multifamily Housing, all of the Department of Housing and Urban Development; Jim Wells, Associate Director, Housing and Community Development Issues, Resources, Community, and Economic Development Division, General Accounting Office; Larry H. Dale, Fannie Mae, Washington, D.C.; and David A. Smith, Recapitalization Advisors, Inc., and William E. Haynsworth, Boston Financial Group, both of Boston, Massachusetts.

U.S. MILITIA MOVEMENT

Committee on the Judiciary: Subcommittee on Terrorism, Technology, and Government Information held

hearings to examine the scope of militia organizations in the United States, the nature of their activities, their reason for existence, and the extent to which they pose a threat to American citizens, receiving testimony from Senators Baucus and Levin; James L. Brown, Deputy Associate Director for Criminal Enforcement, Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury; Robert M. Bryant, Assistant Director, National Security Division, Federal Bureau of Investigation, Department of Justice; Col. Fred M. Mills, Missouri State Highway Patrol, Jefferson City; Maricopa County Attorney Richard M. Romley, Phoenix, Arizona; Musselshell County Attorney John Bohlman, Roundup, Montana; John E. Trochmann and Robert Fletcher, both of Noxon, Montana; Ken Adams, Harbor Springs, Michigan; James Johnson, Columbus, Ohio; and Norman Olson, Alanson, Michigan.

Hearings were recessed subject to call.

AFFIRMATIVE ACTION IN EMPLOYMENT

Committee on Labor and Human Resources: Committee concluded oversight hearings to examine affirmative action in employment, focusing on compliance with Executive Order 11246, which prohibits employers with Federal contracts from discriminating against job applicants or employees on the basis of race, sex, national origin or religion, and requires Federal contractors to take affirmative action to ensure equal opportunity, after receiving testimony from Shirley J. Wilcher, Deputy Assistant Secretary for Federal Contract Compliance, Employment Standards Administration, Department of Labor; Arthur A. Fletcher, Chairman, U.S. Commission on Civil Rights; Ellen Shong Bergman, Ellen Shong and Associates, Sea Brook, South Carolina; Susan R. Meisinger, Society for Human Resource Management, Alexandria, Virginia; Linda Chavez, Center for Equal Opportunity, Brian W. Jones, Center for New Black Leadership, and Marsha Greenberger, National Women's Law Center, all of Washington, D.C.; and John Trygg, Junction City, Kansas.

AUTHORIZATION—FEC

Committee on Rules and Administration: Committee concluded hearings on proposed legislation authorizing funds for fiscal year 1996 for the Federal Election Commission, after receiving testimony from Danny Lee McDonald, Chairman, and Lee Ann Elliott, Commissioner, both of the Federal Election Commission; and Brent Thompson, Fair Government Foundation, Washington, D.C.

House of Representatives

Chamber Action

Bills Introduced: Seventeen public bills, H.R. 1851–1866, 1868; one private bill, H.R. 1867; and one resolution, H. Con. Res. 77, were introduced.

Pages H6044–46

Reports Filed: Reports were filed as follows:

H.R. 70, to permit exports of certain domestically produced crude oil (H. Rept. 104–139, Pt. 1);

H. Res. 167, providing for consideration of H.R. 1817, making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1996 (H. Rept. 104–140);

H.R. 1854, making appropriations for the Legislative Branch for the fiscal year ending September 30, 1996 (H. Rept. 104–141);

Report entitled "Subdivision of Budget Totals for fiscal year 1996" (H. Rept. 104–142); and

H.R. 1868, making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1996 (H. Rept. 104–143). **Page H6044**

Speaker Pro Tempore: Read a message from the Speaker wherein he designates Representative Torkildsen as Speaker pro tempore for today.

Page H5985

Journal: By a yea-and-nay vote of 356 yeas and 49 nays, Roll No. 380, the House approved the Journal of Wednesday, June 14. **Pages H5985–86**

Department of Defense Authorization: By a recorded vote of 300 ayes to 126 noes, Roll No. 385, the House passed H.R. 1530, to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, and to prescribe military personnel strengths for fiscal year 1996.

Pages H5990–H6021

Rejected the Dellums motion to recommit the bill to the Committee on National Security with instructions to report the bill back forthwith containing an amendment to authorize $100 million for impact aid for school-aged dependents of certain military personnel (rejected by a recorded vote of 188 ayes to 239 noes, Roll No. 384). **Pages H6017–21**

Agreed To:

The Markey amendment that reduces the authorization for the Department of Energy tritium production activities from $100 million to $50 million (agreed to by a recorded vote of 214 ayes to 208 noes, Roll No. 381); and **Pages H5991–98**

The Spence en bloc amendment that expresses the sense of Congress concerning unilateral implementation of the Start II Treaty; authorizes an additional $9 million for a superconducting radio frequency free election laser program; authorizes $28 million for the advanced submarine combat systems development program; authorizes an additional $10 million to establish a joint targeting support system testbed; establishes new procedures whereby there is placed an increased reliance on private sector services for the Department of Defense; authorizes expansion of the Southwest Border States Anti-Drug Information System; improves combat readiness of the National Guard and Reserves; expresses the sense of Congress that the Uniformed Services Family Health Plan should not be terminated; implements uniform cost sharing requirements for Uniformed Services Treatment Facilities; establishes cost reimbursement rules for indirect costs attributable to private sector work of defense contractors; prohibits the consolidation of the Aviation Technical Test Center with any other aviation testing facility until 60 days after a report submitted to the Congress and evaluated; reinstates certain applications of the Buy America Act; expresses the sense of the Congress regarding the Chemical Weapons Convention; establishes an accelerated schedule for environmental management activities; and modifies the existing land conveyance agreement of the Hamilton Air Force Base (agreed to by a recorded vote of 411 ayes to 14 noes, Roll No. 383). **Pages H6008–16**

Rejected the DeLauro amendment that sought to eliminate provisions that prohibit privately funded abortions at overseas Department of Defense medical facilities (rejected by a recorded vote of 196 ayes to 230 noes, Roll No. 382). **Pages H5998–H6008**

The Clerk was authorized to correct section numbers, punctuation, cross-references, and to make such other technical, clerical and conforming changes as may be necessary in the engrossment of the bill. **Page H6021**

Quorum Calls—Votes: One yea-and-nay vote and five recorded votes developed during the proceedings of the House today and appear on pages H5985–86, H5997–98, H6007–08, H6015–16, H6020–21, and H6021. There were no quorum calls.

Adjournment: Met at 10 a.m. and adjourned at 6:20 p.m.

Committee Meetings

FARM BILL—RICE, WHEAT AND OILSEED TITLES

Committee on Agriculture: Subcommittee on General Farm Commodities continued hearings on the Farm Bill—Rice, Wheat, and Oilseed Titles. Testimony was heard from Representative Lincoln; and public witnesses.

LEGISLATIVE AND FOREIGN OPERATIONS, EXPORT FINANCING AND RELATED PROGRAMS APPROPRIATIONS

Committee on Appropriations: Ordered reported the following appropriation bills for fiscal year 1996: Legislative; and the Foreign Operations, Export Financing and Related Programs.

FINANCIAL INSTITUTIONS REGULATORY RELIEF ACT

Committee on Banking and Financial Services: Subcommittee on Financial Institutions and Consumer Credit approved for full Committee action amended H.R. 1362, Financial Institutions Regulatory Relief Act of 1995.

SUPERFUND REAUTHORIZATION

Committee on Commerce: Subcommittee on Commerce, Trade, and Hazardous Materials continued hearings on the reauthorization of the Superfund program. Testimony was heard from Senator Inhofe; Representatives Regula and Visclosky; Tim Fields, Administrator, EPA; Becky Norton Dunloop, Secretary of Natural Resources, State of Virginia; Nick DiPasquale, Division Director for Air and Waste Management, Department of Natural Resources, State of Delaware; Jim Strock, Secretary, Environmental Protection Agency, State of California; Cindy Hafner, Supervising Attorney, Division of Emergency and Remedial Response, Environmental Protection Agency, State of Ohio; Gail Norton, Attorney General, State of Colorado; and public witnesses.

Hearings continue June 20.

TRANSFORMATION OF MEDICAID PROGRAM

Committee on Commerce: Subcommittee on Health and the Environment continued hearings on the Transformation of the Medicaid program. Testimony was heard from Kwai-Cheung-Chan, Director, Division of Program, Evaluation and Methodology, GAO; David Satcher, M.D., Director, Centers for Disease Control and Prevention, Department of Health and Human Services; Elin Gursky, M.D., Senior Assistant Commissioner of Health, Department of Health,

State of New Jersey; David R. Smith, M.D., Commissioner, Department of Health, State of Texas; and public witnesses.

ECONOMICALLY TARGETED INVESTMENTS

Committee on Economic and Educational Opportunities: Subcommittee on Employer-Employee Relations held a hearing on H.R. 1594, to place restrictions on the promotion by the Department of Labor and other Federal agencies and instrumentalities of economically targeted investments in connection with employee benefit plans. Testimony was heard from Representative Saxton; Olena Berg, Assistant Secretary, Pension and Welfare Benefits Administration, Department of Labor; and public witnesses.

OPM OVERSIGHT: CONTRACTING FEDERAL INVESTIGATIONS

Committee on Government Reform and Oversight: Subcommittee on Civil Service concluded hearings on OPM Oversight: Contracting Federal Investigations. Testimony was heard from James B. King, Director, OPM; G. Edward DeSeve, Controller, OMB; Timothy P. Bowling, Associate Director, Federal Human Resources Management Issues, GAO; and public witnesses.

OVERSIGHT

Committee on Government Reform and Oversight: Subcommittee on Human Resources and Intergovernmental Relations held an oversight hearing on Anti-Fraud and Abuse Enforcement in Medicare/Medicaid programs. Testimony was heard from the following officials of the Department of Health and Human Services: Bruce Vladeck, Administrator, Health Care Financing Administration; and June Gibbs Brown, Inspector General; Gerald Stern, Special Counsel, Financial Institution Fraud, Department of Justice; Jonathan Ratner, Assistance Director, Health Financial Issues, GAO; Rufus Noble, Inspector General, Agency for Health Care Administration, State of Florida; and a public witness.

COMPREHENSIVE ANTITERRORISM ACT

Committee on the Judiciary: Continued markup of H.R. 1710, Comprehensive Antiterrorism Act of 1995.

Will continue tomorrow.

OVERSIGHT

Committee on the Judiciary: Subcommittee on Commercial and Administrative Law continued oversight hearings on the reauthorization of Legal Services Corporation. Testimony was heard from Representative Taylor of North Carolina; and public witnesses.

Hearings continue June 22.

OVERSIGHT

Committee on the Judiciary: Subcommittee on the Constitution held an oversight hearing on partial-birth abortions. Testimony was heard from public witnesses.

OVERSIGHT

Committee on Resources: Subcommittee on Fisheries, Wildlife and Oceans held an oversight hearing on the NOAA's Ocean and Coastal Programs. Testimony was heard from D. James Baker, Under Secretary, Oceans and Atmosphere, Department of Commerce; and public witnesses.

CENTRAL UTAH PROJECT COMPLETION ACT

Committee on Resources: Subcommittee on Water and Power Resources held a hearing on H.R. 1823, to amend the Central Utah Project Completion Act to direct the Secretary of the Interior to allow for prepayment of repayment contracts between the United States and the Central Utah Water Conservancy District dated December 28, 1965, and November 26, 1965. Testimony was heard from Representative Hansen; and Roger Patterson, Regional Director, Mid-Pacific Region, Bureau of Reclamation, Department of the Interior.

OVERSIGHT

Committee on Resources: Subcommittee on Water and Power Resources held an oversight hearing on possible transfer of Reclamation facilities out of Federal Control. Testimony was heard from Representative Laughlin; Roger Patterson, Regional Director, Mid-Pacific Region, Bureau of Reclamation, Department of the Interior; and public witnesses.

ABOLISH CONSENT CALENDAR— ESTABLISH CORRECTIONS CALENDAR

Committee on Rules: Ordered reported, by a record vote of 9 to 4, a new privileged resolution consisting of the text of H. Res. 161, as amended by the Committee, amending clause 4 of House Rule XIII, by abolishing the Consent Calendar and establishing a new Corrections Calendar. H. Res. 161 was laid upon the table.

LINE-ITEM VETO

Committee on Rules: Pursuant to clause 1 of House Rule XX, the Committee, by a voice vote, adopted a motion authorizing the Chairman to offer such motions as may be necessary in the House to go to conference with the Senate on S. 4, relating to the line-item veto (or a similar House bill).

MILITARY CONSTRUCTION APPROPRIATIONS

Committee on Rules: Granted, by a voice vote, an open rule providing 1 hour of debate on H.R. 1817, making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1996. The rule waives clause 2 (prohibiting unauthorized and legislative provisions) and clause 6 (prohibiting reappropriations) of rule XXI against provision of the bill.

The rule authorizes the Chair to accord priority in recognition to Members who have preprinted their amendments in the CONGRESSIONAL RECORD. The rule provides one motion to recommit. Finally, the rule provides that the spending and credit allocations to the Committee on Appropriations contained in the House passed budget resolution shall apply for Budget Act enforcement purposes until final adoption of a budget resolution. Testimony was heard from Representatives Vucanovich, Hefner, Brewster, and Harman.

NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY INDUSTRIAL SERVICES AUTHORIZATION ACT; ADVANCED TECHNOLOGY ADMINISTRATION ACT

Committee on Science: Subcommittee on Technology approved for full Committee action the following measures: the National Institute of Standards and Technology Industrial Services Authorization Act of 1995; and the Advanced Technology Administration Act of 1995.

OSHA'S FALL PROTECTION STANDARD

Committee on Small Business: Subcommittee on Regulation and Paperwork held a hearing on OSHA's Fall Protection Standard. Testimony was heard from Joseph A. Dear, Assistant Secretary and Director, Occupational Safety and Health Administration, Department of Labor; and public witnesses.

COMMITTEE BUSINESS

Committee on Standards of Official Conduct: Met in executive session to consider pending business.

MISCELLANEOUS MEASURES

Committee on Transportation and Infrastructure: Subcommittee on Public Buildings and Economic Development held a hearing on the following bills: H.R. 395, to designate the U.S. courthouse and Federal building to be constructed at the southeastern corner of Liberty and South Virginia Streets in Reno, NV, as the ''Bruce R. Thompson United States Courthouse and Federal Building;'' H.R. 840, to designate the Federal building and U.S. courthouse located at 215 South Evans Street in Greenville, NC, as the ''Walter B. Jones Federal Building and United States Courthouse;'' H.R. 869, to designate the Federal building and U.S. courthouse located at 125 Market Street in Youngstown, OH, as the ''Thomas D. Lambros Federal Building and U.S. Courthouse;'' H.R. 965, to designate the Federal building located at 600 Martin Luther King, Jr. Place in Louisville, KY, as the ''Romano L. Mazzoli Federal Building;'' H.R. 255, to designate the Federal Justice Building in Miami, FL, as the ''James Lawrence King Federal Justice Building;'' H.R. 1804, to designate the U.S. Post Office-Courthouse located at South 6th and Rogers Avenue, Fort Smith, AR, as the ''Judge Isaac C. Parker Federal Building;'' H.R. 309, Hopewell Township Investment Act of 1995. Testimony was heard from Representatives Vucanovich, Hastings of Florida, Traficant, Hutchinson and Klink.

VETERANS LEGISLATION

Committee on Veterans' Affairs: Ordered reported the following bills: H.R. 1384, to amend title 38, United States Code, to exempt certain full-time healthcare professionals of the Department of Veterans Affairs from restriction on remunerated outside professional activities; H.R. 1536, to amend title 38, United States Code, to extend for 2 years an expiring authority of the Secretary of Veterans Affairs with respect to determination of locality salaries for certain nurse anesthetist positions in the Department of Veterans Affairs; and H.R. 1565, amended, to amend title 38, United States Code, to extend through December 31, 1997, the period during which the Secretary of Veterans Affairs is authorized to provide priority health care to certain veterans exposed to Agent Orange, ionizing radiation or environmental hazards.

EARNED INCOME TAX CREDIT

Committee on Ways and Means: Subcommittee on Oversight and the Subcommittee on Human Resources held a joint hearing on the Earned Income Tax Credit. Testimony was heard from Representatives Petri and Hutchinson; from the following officials of the Department of the Treasury: Leslie B. Samuels, Assistant Secretary, Tax Policy; and Margaret Milner Richardson, Commission, IRS; Joseph A. Antolin, Deputy Director, Department of Public Aid, State of Illinois; and public witnesses.

TERRORISM

Permanent Select Committee on Intelligence: Subcommittee on Human Intelligence, Analysis, and Counterintelligence met in executive session to hold a hearing on Terrorism. Testimony was heard from departmental witnesses.

COMMITTEE MEETINGS FOR FRIDAY, JUNE 16, 1995

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Commerce, Science, and Transportation, Subcommittee on Surface Transportation and Merchant Marine, to hold hearings on the future of Amtrak and local rail assistance, 9:30 a.m., SR–253.

House

Committee on Commerce, to mark up H.R. 1062, Financial Services Competitiveness Act of 1995, 10 a.m., 2123 Rayburn.

Committee on the Judiciary, to continue mark up of H.R. 1710, Comprehensive Antiterrorism Act of 1995, 10 a.m., 2141 Rayburn.

Next Meeting of the SENATE

10 a.m., Friday, June 16

Senate Chamber

Program for Friday: After the recognition of one Senator for a speech and the transaction of any morning business (not to extend beyond 11 a.m.), Senate will continue consideration of the motion to proceed to consideration of S. 440, National Highway System Designation Act.

Next Meeting of the HOUSE OF REPRESENTATIVES

10 a.m., Friday, June 16

House Chamber

Program For Friday: Consideration of H.R. 1817, Military Construction Appropriations Act for fiscal year 1995 (Open rule, one hour of general debate).

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