begin with the fifth boat. That is a decision that will have to be made subsequently by the Secretary of Defense and joined in by the Congress.

The key differences are that a new class of submarine previously designated as a new attack submarine will not begin until the third boat, the fifth boat, or later, if the Secretary of the Navy decides that additional R&D submarines should be built before beginning serial production of a new class.

The bill also requires the Secretary of Defense to submit a plan leading to production of a more capable, less expensive submarine than the submarine previously designated as the new attack submarine.

Legislation on attack submarines includes the following provisions:

(1) Authorizes $700 million for the construction of the third *Seawolf* attack submarine. This, essentially, incrementally funds the ship with $700 million of the $1.5 million that is yet to be required.

(2) Authorizes $704.5 million for long-lead and advance construction and procurement for the fiscal year 1998 submarine to be built at Electric Boat.

(3) Authorizes $100 million for long-lead and advance construction and procurement for fiscal year 1999 submarine to be built at Newport News. Also authorizes $10 million for participation by Newport News in design of the submarine previously designated as the new attack submarine.

Those sums and those provisions were carefully worked out with the Secretary of Defense, together with the Secretary of the Navy and the Chief of Naval Operations. May I commend particularly Admiral Boorda for the help and assistance that he gave this Senator and other Members of the Senate in working out this formula.

I also wish to thank the Secretary of Defense, Secretary Perry. I remember so well when the pivotal decision was made by him when he came to my office in June and said that the President agreed that we would go back to the time-tested method of building new submarines and let two yards compete. That was the turning point and, thereafter, the Secretary of the Navy and the Chief of Naval Operations, working with members of the Armed Services Committee, devised this plan. I also would like to say how much I appreciate the cooperation of the Senator from Connecticut, whose interest, of course, rests with the Electric Boat, his constituent. Senator LIEBERMAN has worked out with me as we worked out the provisions in the Senate bill.

Those provisions are essentially the blueprint that remained intact as this went on to the House and was worked on in conference.

Last, this bill restricts spending to no more than $200 million on these programs until the Secretary of the Navy certifies that procurement of nuclear attack submarines to be constructed after the first two boats will be competed on price, unless the decision is made to construct additional submarines, in which case all submarines after the fourth boat will be competed based on price whether they are R&D submarines or submarines of a new class.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. THURMOND. 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. THURMOND. Mr. President, earlier in the debate, a question came up about the Naval petroleum reserves, and I would like to make a statement on that.

The conference agreement on the sale of the naval petroleum reserves contains a number of safeguards to ensure that the Federal Government receives full value. Among these safeguards are the following two clauses which clearly spell out the conferees intent that the reserves can be sold only if this will result in the highest return to the American taxpayer.

The first is the mandated minimum acceptable price. This price will be established by five independent experts who shall consider: all equipment and facilities to be included in the sale; the estimated quantity of petroleum and natural gas in the reserve; and the net present value of the anticipated revenue stream that the Treasury would receive from the reserve if the reserve were not sold. The Secretary may not set the minimum acceptable price below the higher of the average of the five assessments; and the average of three assessments after excluding the high and low assessments.

This requirement ensures that the minimum acceptable price has to be at least as high as what the Government would receive for these reserves if any other course of action is taken including the establishment of a Government corporation, the leasing of the reserves, or the continuation of the current operation of the field.

The second key clause is the authority to suspend the sale. This clause gives the Secretary the authority to suspend the sale of Naval Petroleum Reserve No. 1 if the Secretary and the Director of OMB jointly determine that the sale is proceeding in a manner inconsistent with achievement of a sale price that reflects the full value of the reserve; or a course of action other than the immediate sale of the reserve is in the best interests of the United States.

Mr. President, these two clauses essentially mean that Naval Petroleum Reserve No. 1 cannot be sold unless the Government gets a price for the field that exceeds the value that would be achieved by any other option, and that the entire sale proceed in a manner that is in the best interests of the United States.

The sale will provide an estimated $1.5 to $2.5 billion to the Federal Treasury. This does not include the several hundred million dollars that the Government will receive in increased tax revenues. What's more, the Government will save about $1 billion in operating costs over the next 7 years.

Mr. President, the sale of these reserves was initiated by this administration, and, in fact, the administration has come out in support of this provision. We have worked in a very bipartisan manner to draft this provision so as to incorporate the maximum safeguards possible. I hope that we can continue this bipartisanship and vote to approve the conference agreement which includes this provision.

I yield the floor. I suggest the absence of a quorum.

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

The assistant legislative clerk proceeded to call the roll.

Mr. PRYOR. 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. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

UNANIMOUS-CONSENT REQUEST

Mr. SPECTER. Mr. President, what I had sought recognition for relates to the appropriations bill on Labor, Health, Human Services, and Education. The purpose of my seeking the floor is to see if we might move that bill along.

In light of the fact we are not going to have a continuing resolution, at least as it appears at the moment, I thought it important to put on the record that there are a very substantial number of jobs which are involved here, and layoffs, if we do not have a continuing resolution; that the Social Security Administration has some 60,000 jobs, the Department of Health and Human Services has some 100,000 jobs, the Department of Labor has 18,000 jobs, the Department of Education has 5,000 jobs. We have been trying to work out a unanimous consent agreement to bring this bill to the floor.

I understand that the Members of the other side of the aisle have been unwilling to give consent because of the provisions on the bill about striker replacement. There have been a number of other items. But, for the record I wanted to see if we might possibly move the bill ahead.

I full well understand the likelihood of objection. But, on behalf of Senator DOLE, I do ask unanimous consent that the Senate turn to consideration of Calendar No. 189, H.R. 2127, the Labor-HHS-Education appropriations bill.

Mr. PRYOR. Mr. President, at this moment I would have to object to that unanimous-consent request. I did not know the Senator was seeking recognition for that reason.

The PRESIDING OFFICER. Objection is heard.

Mr. SPECTER. I fully appreciate the objection. And I thank my colleague. I yield the floor.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

Mr. PRYOR. Mr. President, I see my colleague from Florida is seeking recognition. The Senator from Arkansas has just about a 3-minute statement, if he will permit me to go forward. I will just take a few moments of the Senate's time this evening.

I rise tonight to voice my very, very strong opposition to the Department of Defense authorization conference report that is now before the U.S. Senate.

This conference report takes the unthinkable step of actually repealing a bipartisan piece of legislation which was written in 1983, by Senators ROTH, KASSEBAUM, GRASSLEY, myself and many others in this body. We set up a process for an office to test new weapons, in an independent, unbiased, untainted, and a very, very, realistic environment.

If enacted, this conference report that we are now discussing would be a gigantic step backwards in the war against $600 hammers, thousand-dollar toilet seats, guns that do not shoot, bombs that do not explode, and planes that do not fly.

I truly believe, Mr. President, that if this conference report is enacted in its present form, the lives of our men and women who serve this country in the Armed Forces will be put needlessly at risk.

I hope my colleagues in the Senate are aware that this conference report contains a provision that would virtually eliminate the Pentagon's Office of the Director of Operational Testing and Evaluation by absolutely revoking its charter. Mr. President, no one has yet explained any reason whatsoever to take away the office and the department in that area of our Department of Defense that tests weapons before we go into mass production. It simply does not make sense.

Over the past 12 years, this testing office has been an unparalleled success. It has saved time, money, and, most importantly, it has saved the lives of our fighting forces by making weapons better and by keeping flawed systems out of the hands of our soldiers.

Support for the testing office has always been bipartisan, Mr. President. Former Defense Secretary Dick Cheney said that an independent weapons testing office ''saved more lives'' during Operation Desert Storm than perhaps any other single initiative. The current Secretary of Defense, William Perry, recently described this office as ''the conscience of the acquisition process.''

Mr. President, I was shocked to learn that this conference report revokes the charter for independent testing of our weapons. I could not believe it.

Because of this provision, I cannot and I will not vote for this conference report. I urge my colleagues to defeat this legislation.

Mr. President, I want to make it very clear that I do not fault my very good friend from South Carolina, the distinguished chairman of the Senate Armed Services Committee, Senator THURMOND, for this language that undermines independent testing. From all reports that I have, he tried to keep the office of independent testing alive. I have always known that this flawed initiative originated not in the Senate but in the House of Representatives. In fact, the Senator from South Carolina, the distinguished chairman of the Armed Services Committee, supported the sense-of-the-Senate resolution approved by this Chamber as recently as August that voiced the Senate's strong opposition to revoking the charter for independent weapons testing.

Unfortunately, Mr. President, the Senate's position did not prevail in the conference committee. The wishes of the U.S. Senate to uphold and to support and to continue this office of independent testing were not granted.

I want to thank the chairman at this time for doing what he could in conference to stop, or at least to delay, the elimination of the office of independent testing. I only wish that he had been more successful in keeping the conference committee from endorsing an absolutely terrible idea.

As we begin sending American troops into Bosnia, it is wrong, it is dangerously shortsighted, for this Congress to propose eliminating that very office that has been so helpful, so successful in making sure that our weapons work properly in combat.

Mr. President, I will be voting against this conference report.

I urge my colleagues to do the same.

Mr. President, I yield the floor.

Mr. THURMOND. Mr. President, I would like to point out an inadvertent omission in the conference agreement statement of managers with respect to Air Force Program Element 602601F, Advanced Weapons. The conference agreement increased the authorization of the requested amount of $124.4 million by $11.0 million. Of that increase, $5.0 million was intended by the conferees to authorize the continuation of the High Frequency Active Auroral Research Program. As pointed out in the statement of managers accompanying the conference report, the conferees intend the remaining $6 million of the increase to authorize the rocket propulsion technology program described in the House Report 104–131.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

BUDGET NEGOTIATIONS

Mr. DOLE. Mr. President, if I could just take a minute here, let me indicate that I still do not know for certain what the program will be today, tomorrow, and Sunday. I had hoped we would have some serious budget negotiations.

I have just listened to the President of the United States. I must say I do not know who gives him advice, but I do not think he is telling the American people the truth. If he thinks he is engaged in serious budget discussions, then he ought to take a look at the budget.

I must say that this administration is for a one-way street. It is all right to cooperate with them, but they are not going to cooperate with anyone else. And I have made an effort to do that as recently as 48 hours ago on this floor.

I am a little frustrated that we have been 26 days now waiting for the administration to give us a legitimate offer to balance the budget in 7 years, using Congressional Budget Office estimates. It was my understanding, in talking with the President yesterday, that there would be a serious offer given to Republicans today. Anyone with any knowledge of the budget process could look at the offer made and tell you very quickly that it was not a serious offer. But here the President of the United States is getting on television saying that Republicans are recommending devastating cuts in Medicare, Medicaid, the environment and student loans after we put money back into those programs in our legitimate offer earlier today.

So I am almost convinced that there is no real desire on the part of this administration to do anything except to play politics with the budget—and play politics with senior citizens and play politics with every other interest group in America. We have made an effort time after time to meet the President halfway.

I believe the American people want a balanced budget in 7 years. They have indicated that. The President agreed to it, but we cannot do it with the same old smoke and mirrors.

In fact, $54 billion of the savings today was ''baseline adjustments,'' which is one example, and there are other examples in the President's bill. Tax cuts—he has tax cuts in his bill, too, I think—in what, the 5th year. If everything was not in balance, you would trigger over those tax cuts. That is another way of how they save $23 billion. That is something that even Darman had not thought of when he was here. So they thought of a lot of good things down there.

But I would hope the President of the United States would contact this Senator and the Speaker of the House of Representatives—the three of us sit down and get serious. This is serious business. If we do not have some agreement, if we do not pass the continuing resolution by Sunday evening, the Government will shut down again.

One way to avoid that is to let us bring up the Labor-HHS bill, which the Democrats twice have objected to. We are going to ask consent—I guess we