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Senate

The Senate met at 9:30 a.m. and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Here is a promise to give us hope today: ''If my people, who are called by my name, will humble themselves, and pray and seek my face * * * then I will hear from heaven, and will forgive their sin and heal their land.''—II Chronicles 7:14.

Thank You, Lord, for answering our prayers for a meeting between the President, the majority leader, and the Speaker of the House to deal with the issues of balancing the budget. Now we pray reverently for these men as they meet today. Lord, we need Your healing. Fill these men with Your spirit. Grant them the humility to be open to Your guidance for a solution. Invade their minds with an acute awareness of their accountability to You to break the present deadlock, move toward creative compromises, and achieve an agreement. We claim Jesus' diagnosis and prognosis for seemingly impossible impasses like this: ''With man it is impossible, but with God all things are possible.''—Luke 18:27. We really believe that. We cast aside our pride, and throw our negative cautious doubt to the wind. Today is a day to expect great things from You, and the greatness You will inspire in our leaders. Thank You that it shall be so. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able Senator from Indiana is recognized.

SCHEDULE

Mr. COATS. Mr. President, on behalf of the leader, let me announce that we will immediately begin consideration of the conference report to accompany the Department of Defense authorization bill, and that under the unanimous-consent agreement reached last night, if all time is used, a vote will occur on the conference report at approximately 5:25 p.m.

The Senate will recess today between the hours of 12:30 p.m. and 2:15 p.m. for weekly policy conferences, and a cloture vote is still possible today on the motion to proceed to the Labor-HHS appropriations bill, unless an agreement can be reached on that bill today.

Also, if a continuing resolution would become available from the House, we will take action on that today.

VITIATION OF ACTION—S. 1228

Mr. COATS. Mr. President, I ask unanimous consent that the action taken on Calendar No. 280, S. 1228, be vitiated and the bill be placed back on the calendar.

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

Mr. COATS. Mr. President, this bill is now back on the calendar but it is still hoped this important matter can be cleared for action, soon.

Mr. President, I yield the floor.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order the leadership time is reserved.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996—CONFERENCE REPORT

The PRESIDING OFFICER. Under the previous order the Senate will now resume consideration of the conference report accompanying H.R. 1530, on which there shall be 3 hours debate, equally divided.

The assistant legislative clerk read as follows:

A conference report to accompany H.R. 1530, an act 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.

The Senate resumed consideration of the conference report.

Mr. COATS. Mr. President, I know there are speakers who will be here this morning, but at the moment let me suggest the absence of a quorum; the time will be equally divided under the previous agreement.

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

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. NUNN. 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. NUNN. Mr. President, what is the current order of the Senate?

The PRESIDING OFFICER. The pending business is the conference report on H.R. 1530, the Defense authorization.

Mr. NUNN. Mr. President, as we debate the conference report on the National Defense Authorization Act for fiscal year 1996, I again want to express my admiration for the hard work, determination, and commitment of Senator THURMOND, the chairman of the committee. Regardless of our individual and differing views on the specifics of this conference report, I believe everyone knows that Senator THURMOND worked with diligence and dedication to reach an agreement with the House.

I also want to express my appreciation for the hard work of the majority staff director, Dick Reynard; deputy staff director, George Lauffer, who is

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

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here on the floor; general counsel, Don Deline; and all the majority staff. They put in many late nights and 7-day weeks over the course of this conference, which has provided them with far too little time to spend with their own families.

The same applies to Arnold Punaro, Andy Effron, and many others on my staff who have worked with equal diligence and dedication.

This bill was in conference for over 3 months. The chairman, Senator THURMOND, has shown great patience and endurance through long and difficult negotiations with the House. Out of respect for Senator THURMOND, particularly in his first year as chairman—although he has been on the committee for many years—I signed the conference report, and I voted for the motion to proceed, thereby providing the Senate with the opportunity to consider this report.

I do not support the legislation, for reasons I will explain. I feel it is essential that the Senate at least make a determination and vote on this conference report.

The conference report contains important legislative authorities, which I strongly support. I want to point out the important military pay and allowances provisions, including a 2.4-percent pay raise for the troops and a 5.2-percent increase in the basic allowance for quarters. Without this bill, the pay raise under permanent law will be 2 percent, or 0.4 percent less. The basic allowance for quarters increase would be 2 percent, instead of the current 5.2 percent, if this bill passes.

If we do not have this bill enacted into law, I intend to join others in doing everything possible to see that this key legislation for pay raises and for basic allowance for quarters be inserted in another bill before we leave this session.

Second, approval of Secretary Perry's family and troop housing initiative, which would provide new authorities—including shared public and private sector funding—to finance needed construction and improvements in military housing.

Third, detailed acquisition reform legislation that complements last year's landmark Federal Acquisition Streamlining Act. Key provisions would:

Use simplified procedures to streamline the process of procuring commercial products and services while preserving the requirement for full and open competition.

Reduce the barriers that inhibit acquisition of commercial products by eliminating the requirement for certified cost and pricing data for commercial products.

Streamline the bid protest process by eliminating the separate bid protest authority of the General Services Board of Contract Appeals and providing for all bid protests to be determined by the General Accounting Office.

Consolidate and clarify the standards of conduct for Federal officials in the acquisition process to ensure consistent treatment of such personnel on a governmentwide basis.

Fourth, establishment of a defense modernization account. This provision will encourage the Department of Defense and give them a strong incentive to achieve savings in procurement, research and development, and operations and maintenance by allowing the Department to place the savings in a new account, the defense modernization account. Funds in the account would be available for the services to spend on the most pressing long-term needs of our military—that is modernization of our military forces and equipment and procurement. The Department could use amounts in the account to address funding shortfalls in the modernization of vital weapons systems.

Mr. President, I would like to see these provisions enacted into law, but I cannot support the conference report in its present form. This will be the first time, in my 23 years in the Senate, that I will vote against a Defense authorization conference report. I have supported every previous Defense authorization conference report during my Senate career, including 6 years in which I served in the minority under two Republican chairmen.

In the past, when we had a Democratic Congress and a Republican President, we routinely faced a House bill that was unacceptable and a Senate bill that was acceptable to the Republican President. In those years most of the compromising had to come from the House if we were going to get a bill signed into law. We knew that when we saw the shape of the two bills coming out of the House and Senate.

We faced the same situation in reverse this year with a Republican Congress in the House and Senate and with a Democratic President. This year, we have a generally acceptable Senate bill and a generally unacceptable House bill in terms of Presidential signature. This is just the opposite of what we have had year after year with Republican Presidents and Democratic Congresses. Unfortunately, this year, the House was unwilling to make the compromises necessary to get a bill that is likely to be approved by the Clinton administration. Instead of compromising more toward the Senate bill, which could have received Clinton administration support, most important compromises strongly titled toward the House position.

The conference report before us contains fundamental flaws that I believe are contrary to the best interests of the taxpayers and sound management of our national defense activities. On balance, I have concluded that this bill's bad policy outweighs its good policies in its current form.

Mr. President, I will discuss again, as I did last week, the missile defense part of this conference report at a later point in my presentation. I would like to turn to other elements of the conference that give me great concern.

REPEAL OF THE REQUIREMENT FOR AN INDEPENDENT DIRECTOR OF OPERATIONAL TEST AND EVALUATION

When the House drafted its version of this year's bill, they developed a DOD reorganization proposal which included a provision abolishing the position of the Director of Operational Test and Evaluation. That position was created in 1983 at the initiative of Senators ROTH, GRASSLEY, and PRYOR, to ensure that testing of major weapons systems would be evaluated by an office independent of the responsibility for program and contract management.

During the Senate debate on this bill, we adopted without dissent a bipartisan amendment—sponsored by Senators ROTH and PRYOR—reaffirming congressional support for the Office of the Director of Test and Evaluation [OTE]. That was the Senate position.

In that amendment, we noted that the OTE position was ''created by Congress to provide an independent validation and verification on the suitability and effectiveness of new weapons, and to ensure that the * * * military departments acquire weapons that are proven in a operational environment before they are produced and used in combat.''

In summary, Mr. President, Operational Test and Evaluation has as its main purpose objective—evaluation of weapons systems before they are purchased. There has been a whole history to indicate the need for this kind of office because program managers inevitably get wedded to programs. If they are responsible not only to develop the programs, present them, sell them, and market them on Capitol Hill but also to test them, there is an inherent inability for the kind of objectivity that is needed in making sure the weapons work before we buy them.

The conference agreement is contrary to the Senate position—in fact, just the opposite of the Senate provision—and would repeal the legislation requiring that there be an independent Director of Operational Test and Evaluation.

Mr. President, it is important to differentiate the provisions affecting the Director of Operational Test and Evaluation from other aspects of the DOD reorganization provisions proposed by the House and adopted in conference which reduce the number of positions in DOD requiring Presidential appointment and Senate confirmation.

With the exception of the language affecting the Director of Operational Test and Evaluation and the language affecting the Assistant Secretary of Defense for Special Operations—which I shall address later in my remarks—I have no objection to some of the other DOD reorganization provisions proposed in the conference agreement which largely came from the House. The unobjectionable elements of the conference agreement merely repeal

the statutory designation of certain positions and the requirement for Senate confirmation.

The Operational Test and Evaluation proposal goes further. It would repeal section 139 of title 10, which contains a number of key protections for the Director of OTE. Under current law:

The Director can only be removed by the President, and the President must report his reasons to Congress.

The Director is guaranteed statutory independence from the Under Secretary for Acquisition.

The Director may communicate directly with the Secretary without obtaining the concurrence or approval of any other official.

The Director has specific authority over all test and evaluation activities of DOD.

Mr. President, those are key provisions. That is the only way you can have an objective official in terms of ensuring that he is not subject to the normal bureaucratic pressures of the Pentagon.

Under the conference agreement, effective January 31, 1997, there would no longer be an independent Director of Operational Test and Evaluation. The Secretary of Defense would be free to subordinate the operational test and evaluation function under any Under or Assistant Secretary—including those with direct responsibility for the management of major weapons systems programs—or even relegate it to the military departments.

Congress specifically created this position in light of major acquisition problems of the late seventies and early eighties so that realistic and independent operational test and evaluation functions would be conducted without direct interference by acquisition officials. Congress wanted to make sure that those who were being tested were not also grading their own tests. DOD has never fully embraced this position and its independence. Under the House approach, now incorporated in this conference, the key concept of ''Fly before you buy'' will be significantly weakened because this office is in effect terminated.

This is an ill-considered proposal with no foundation or justification. Congress should not be put in the position of having to refight and reinstate this legislation next year. This is an example of ''Ready, fire, aim'' that I think is destructive to the overall furtherance of our national security. We should not support legislation that cripples this vital organization.

REPEAL OF THE STATUTORY REQUIREMENT FOR THE ASSISTANT SECRETARY FOR SPECIAL OPERATIONS AND LOW-INTENSITY CONFLICT

There is another aspect of the House's DOD reorganization language which was adopted in conference to which I have similar objections. My concerns relate to the provision that would abolish the requirement to designate one of the Assistant Secretaries of Defense to be responsible for special operations and low-intensity conflict.

Mr. President, in 1986, Congress created the statutory position of Assistant Secretary, Special Operations and low-Intensity Conflict as part of comprehensive legislation concerning the organization and management of special operations forces.

The 1986 legislation also established a unified combatant command for special operations.

The CINC was given unique authorities—possessed by no other CINC—for administration, acquisition, and budgeting—authorities that are more akin to the powers of a civilian Service Secretary than a military CINC.

We specified in law that there be an Assistant Secretary of Defense for Special Operations in order to ensure adequate civilian control over the CINC.

The statute specifically makes the Assistant Secretary responsible for ''the overall supervision (including oversight of policy and resources) of special operations * * * and low-intensity conflict activities of the Department of Defense.''

Senator COHEN, a Republican from Maine, a member of our committee and leader for many years, is an expert on this subject of special operations. He and I drafted this legislation which was based on the determination that the subject of special operations was receiving inadequate attention by the Office of Secretary of Defense and the military departments.

Mr. President, this is one of the least expensive parts of our overall military forces, but the one that is most likely to be used, whether it is on the cutting edge of a major operation. The special operations forces are the best trained military forces we have. They are required to operate with great secrecy and great care, and they need civilian supervision. This conference report eliminates that civilian supervision as we had envisioned.

The conference report would repeal this requirement to have an Assistant Secretary of Defense for Special Operations and Low-Intensity Conflict, effective January 31, 1997. The Office of the Assistant Secretary has provided valuable oversight and supervision of an activity that still receives to little attention within the Pentagon. The circumstances that required creation of the position are largely unchanged. The Department, again, has not fully embraced the special operations reforms and this repeal will energize the enemies of special operations.

When Congress created this position, we were not simply trying to give visibility to an Assistant Secretary. There are significant substantive differences between the Assistant Secretary of Defense for Special Operations and each of the other Assistant Secretaries. The position of Assistant Secretary for Special Operations is tied directly to a unique combatant command that exercises management powers similar to those of a civilian Service Secretary. The conference report would repeal that statute, effective January 31, 1997, and remove that direct civilian oversight of the CINC. This, again, was done without foundation and without substantive consideration.

REQUIREMENT TO SELL THE NAVAL PETROLEUM RESERVE WITHIN 1 YEAR

Mr. President, earlier this year, the Budget Committee provided reconciliation instructions to the Armed Services Committee to achieve savings through sale of the Naval Petroleum Reserve at Elk Hills within 1 year. That was because they wanted to raise money for the deficit. Faced with that requirement, the committee developed legislation with a number of safeguards, including provisions that would enable the Secretary of Energy to suspend the sale, and to require a subsequent vote by the Congress upon a determination that the sale was not proceeding in the taxpayer's best interest.

The Congressional Budget Office, however, refused to score the provision in the DOD authorization bill as achieving any savings because CBO believed there was a significant chance that the sale would be suspended and that subsequent legislation would be required. As a result, when the Armed Services Committee submitted its reconciliation legislation to the Budget Committee, the Armed Services Committee, on an 11-to-10 vote, recommended to the Budget Committee that the reconciliation bill include a different version of the provision without a number of key safeguards. Those of us who opposed this recommendation expressed great concern about the potential for a huge loss to the taxpayers by a rushed sale without sufficient safeguards.

Subsequently, CBO estimated that the up-front proceeds from the sale would be $1.5 billion, but the net revenue foregone would be $2.5 billion over the next 7 years—leading to a $1 billion loss. As a result, the requirement to sell the naval petroleum reserve was dropped from the Senate reconciliation legislation and was not included in the reconciliation conference report.

We are no longer under a mandate from the Budget Committees on the reconciliation process to raise this $1.5 billion. They wisely dropped the provision when the Congressional Budget Office said it could cost us money. It could cost us $1 billion. What do we do? The conference report before us today continues to mandate the sale with a year with the option for the Secretary to suspend the sale. It is now out of step with reconciliation and out of step with common sense.

Mr. President, because of the budget pressure, there will be tremendous incentive for this administration or a subsequent administration at the end of next year, if we have a change of administrations, to sell Elk Hills quickly to meet the deadlines of the overall budget and fiscal picture. A 1-year timeframe, I believe, is unwise. Right now, there is one company with the potential inside track. Chevron is a part owner and manager of Elk Hills. There

is concern, I think legitimate concern, that a requirement to sell Elk Hills within 1 year will give that company a tremendous advantage, an advantage that could be reduced by giving other potential bidders sufficient time and information to develop competitive bids.

Mr. President, since the leadership of the Budget Committee has already decided to drop the sale of Elk Hills from the reconciliation bill there is absolutely no need to present with the Secretary of Energy with the choice of either making the sale or losing the authority to sell the NPR. Contrary to the assertions we have heard on the floor, the administration has not recommended a forced sale within 1 year. The President's budget for fiscal year 1996 clearly states, on page 148 that ''The administration proposes to privatize the Elk Hills, CA oil and gas fields in 1997 * * *.'' Mr. President, that date is 1997, not 1996. Likewise, the administration's balanced budget proposal, submitted on December 7, 1995, provides for disposition of Elk Hills ''not later than September 30, 1997.'' Again, an extra year so we ensure that we taxpayers get their money's worth out of this sale.

Mr. President, because the current contractor and co-owner, Chevron, has a potential advantage in terms of the information needed to submit a realistic bid, it will not be easy to establish a competitive bidding and evaluation process that will get the best deal for the taxpayers. There are serious questions about whether the 1-year period is sufficient to ensure that the taxpayers get the maximum value through knowledgeable competitive bidding. This provision is a loser—potentially a $1 billion loser.

I find it strange that the same Congressional Budget Office, which our Republican majority is insisting we use for its numbers for the budget deal we are talking about, basically says we are possibly or even probably going to lose about $1.5 billion on this, but we have it in the conference report anyway. I think it is a mistake.

BUY AMERICAN PROVISIONS

Mr. President, one of the strongest elements of our export economy is the sale of overseas military equipment. This is an area in which the value of our sales overseas far exceeds the amount we buy from other countries. This is one of the areas where we have a favorable trade balance. The overall trade balance is unfavorable, but the trade balance in military equipment is favorable. The conference report before us would expand and impose Buy American restrictions that are not justified by industrial based or arms control considerations. This says that you have to buy these items in America, even if the sales from our allies abroad or from others are substantially cheaper.

This means that when foreign companies cannot bid on American contracts, foreign countries are likely to retaliate by imposing their own restrictions on American products, thereby damaging the export sector of the United States that currently has a very strong trade surplus and advantage.

Section 806 of the conference report contains a buy American provision for components of naval vessels which is, derived from the House passed bill. The Senate bill, under Senator THURMOND's leadership, did not have these buy American provisions. The conference report comes back, and it is absolutely loaded with them.

Mr. President, there is ample existing authority for DOD to exclude foreign companies from competing on a contract when there is a valid industrial base requirement for domestic producers. That is already the law. The Department of Defense has not requested any additional legislative authority to impose specific buy American requirements on the components listed in the conference report.

There has been no showing of a critical industrial base need that would justify singling out these vessel components, among the hundreds of thousands of items procured by the Department of Defense, as warranting protection from competition.

The existing buy-American list in title X covers only five items. This is after years and years of struggling. Every year we have had buy-American provisions in the House bill under a Democratic House. This year, nothing has changed under a Republican House as they loaded up the report with buy-American provisions. Every year we have held firm. We have said, ''No, it's bad government, it's bad for the taxpayers, and it's a bad deal for the military.''

We are going to spend more money, get less national security, and hurt our exporters. This is particularly true with the aerospace industry, because they are indeed the best in the world.

We have five items in title X: buses; a chemical weapons antidote; air circuit breakers for vessels; specified valves and machine tools; and ball bearings and roller bearings, which may be affected.

I am not here to debate those items. They are in there. They were put in the report at one time or another.

The conference agreement, without any justification that I can see and in contradiction to bipartisan opposition to similar positions in past conferences, would add the following items:

First, ''welded shipboard anchor and mooring chain with a diameter of 4 inches or less.''

Second, ''vessel propellers with a diameter of 6 feet or more.''

You cannot buy those anywhere except in America and, in some cases, there is only one contractor in America. Only one. What you are doing, in some cases—not all—is locking in sole-source procurement by law and eliminating competition.

Third, the following vessel components having unique marine applications: gyrocompasses; electronic navigation chart systems; steering controls; pumps; propulsion and machinery control systems; and totally enclosed life boats.

All of those are going to have no competition from abroad.

In addition, the proposal would not only extend the expiring buy-American requirements for ball bearings and roller bearings, but would expand it to cover all purchases, even those below the $100,000 simplified acquisition threshold. That directly undermines one of the key goals of last year's Federal Acquisition Streamlining Act: removal of special interest protection and paperwork for all purchases of $100,000 or less.

Mr. President, I find it a supreme irony that a Republican majority in the House and Senate, which committed at least rhetorically to free trade and market competition, would inject the most sweeping buy-American provisions we have ever placed in a defense authorization bill since I have been in the Senate. This will damage the U.S. defense industry, it will damage our trade position, and it will damage the American taxpayers.

Sure, it will benefit a few companies. They will do well because they will not have any competition. Some people in the House, I suppose, will be able to go back and say in their districts, ''Look what we've done for you. You're going to get these Government contracts.'' Our responsibility is beyond one company in one district. It is the overall good of America and our national security. In this case, this conference report flunks that test.

I recognize the Secretary currently has authority to waive buy American requirements under a number of conditions, such as when there would be unreasonable costs or delays or there would be an adverse effect on national security. The conference agreement would slightly expand that authority by allowing the Secretary to use it to avoid retaliatory trade actions by a foreign nation. However, the waiver authority is very difficult for the Secretary of Defense to exercise.

I think it is irresponsible to place a Secretary in the position of mediating between political pressures to impose restrictions on the one hand and a combination of foreign and domestic pressures to promote free trade on the other hand. We are the board of directors. We should not put the executive in charge of the Department of Defense in that position. The waiver authority puts the Secretary in an extremely difficult position, because there is substantial pressure not to use the waiver from the very same sources that insisted on putting the provisions in law in the first place.

Moreover, the retaliatory action from a foreign nation may well come after a buy-American provision is imposed rather than beforehand, and the Secretary's waiver authority, in terms of retaliatory trade, would be useless

in this case. That is the way it would normally happen. The waiver authority has to be anticipatory.

For example, we may impose a buy-American provision on a vessel component only to find later that a foreign government has imposed a domestic-source requirement that hurts our aircraft exports. In the absence of a compelling case to impose the costs and burdens of restricting competition, we should avoid adding new items to the buy-American restrictions list.

A more onerous buy-American provision is set forth in the bill's authority to use sealift funds to purchase vessels for the National Defense Reserve Fleet. Unlike the buy-American provision that applies to components which I previously discussed, the position governing National Defense Reserve Fleets has no waiver authority. As a result, DOD will be precluded, under this conference report, from purchasing foreign vessels for the five additional roll-on/roll-off ships called for in the mobility requirement study, despite the fact that there would be major savings to the U.S. taxpayers.

Mr. President, the Maritime Administration has been purchasing foreign-built ships and upgrading them in U.S. shipyards. It is not like we are not getting a good portion of the work. We are.

The cost to purchase and upgrade this type of ship is about $30 million each. This means we could obtain the five additional ships for about $150 million. Building new U.S. ships will cost $200 million to $250 million each, for a total cost of $1 billion to $1.5 billion for five ships. I think the Senate ought to recognize this is basically taking taxpayers' money and simply giving it to certain defense industries in this country. If you want to do that, that is fine, but everybody ought to acknowledge that is what is happening. That means the taxpayers could be paying an additional $1 billion or more without any increase in Navy capability. This provision is, simply put, a sweetheart deal for certain domestic shipbuilders.

Alternatively, the cost could be so high that the Navy may forego purchasing enough ships to meet the mobility requirements. Either we are going to cost the taxpayers about $1 billion here or we are going to buy less ships and not have the mobility requirements for our own military forces. That is bad for the taxpayers and bad for our national defense.

(Mr. FRIST assumed the chair.)

EARMARKING

Mr. NUNN. Mr. President, the next area I am concerned about relates to earmarking. I have been one of the leaders, and the Senator from Arizona, Senator MCCAIN, has also been a real leader, in trying to prevent earmarking. Usually it has been in the appropriations bill. Time after time after time, we have come to the floor and opposed these items in appropriations bills. One time, I even voted against the entire appropriations bill, as the Senator from West Virginia may recall, because it was full of earmarks.

We in the authorization committee have not been perfect, but we have strived not to have earmarks in these bills. That has been a long practice of our Armed Services Committee. We provide appropriate guidance under development and procurement of major weapons systems and leave to the executive branch the process of awarding contracts. We do not get into micromanagement. We try not to micromanage. This bill is crammed full of micromanagement, and I find this supremely ironic, having seen Secretary Cheney, Secretary Carlucci, and Secretary Weinberger, those Secretaries under Republican administrations, complain over and over again about congressional micromanagement of the Defense Department.

This bill goes further in micromanagement than any bill I have seen. We have done this to ensure, in terms of our practices, that the Government achieves the best price and quality based upon bids and proposals reviewed under merit-based criteria. We have endeavored to avoid legislation and conference report language which earmarks specific contracts to specific contractors.

We have avoided earmarking because there is too great a danger that awards under such a system will be based on political and parochial considerations rather than the best interest of national defense and the taxpayers.

I am very concerned about the shipbuilding provisions of the conference report which could lead to substantial unnecessary expenditure for the procurement of naval vessels. The conference report has translated, I think, an innovative Senate concept, which makes sense under very unique circumstances. The concept would provide more ships within the same cost projections that was developed by Senators LOTT, COHEN, and others—into something that was not what they envisioned when they started; that is, a shipbuilding grab bag with something for everyone.

Section 1013 of the bill has the effect of directing the procurement of two additional large, medium-speed roll-on/roll-off ships, known as LMSR vessels, at specific shipyards. Likewise, section 135 has the effect of directing procurement of six destroyers to specific shipyards. In the absence of a clear industrial base requirement—and I have seen no such showing—these sole-source-directed procurement situations undermine the cost-saving potential of competition. Again, I regret to say, these are sweetheart deals for certain shipyards.

Mr. President, at a time when we are striving to get the taxpayers' fiscal budget under control and the national budget under control, I find it very, very paradoxical that we are setting up this competition with earmarks with sole-source-directed procurement going to certain shipyards and making certain these companies are happy at the expense of both taxpayers and national security.

Mr. President, I am also concerned that section 1016 of the bill has the effect of earmarking a ship maintenance contract for a specific shipyard. Once we start down this route, other shipyards, as well as repair and maintenance contractors for aircraft and vehicles, will certainly want their share of these directed, noncompetitive contracts. The Competition in Contracting Act is designed to save money through effective competition. From time to time, there are exceptions which can be justified on the merits, in terms of industrial base considerations. Those decisions should be made on the basis of sound analysis and thorough consideration of executive branch views, not on the basis of a conference with legislated earmarks. This earmark is not meritorious and, again, I can only describe it as a sweetheart deal for a certain shipyard.

Mr. President, I am also concerned about title 31 of the bill, which covers the Department of Energy defense programs. Section 3133, 3135, 3137, 3140, and 3142 and the associated statement of managers language provide funds—many not requested by the administration—for development of technologies and other programs at specify Department of Energy sites instead of allowing the Department to determine which site, on the merits, would be the best location for conduct of the program. Hundreds of millions of dollars are so allocated in the DOE section of this bill.

In summary, Mr. President, the numerous earmarks in this bill far exceed the tolerance level of anything justified in the ''give and take'' of a conference. It sets the authorizing committee on a bad policy path that we have studiously avoided and that we should not start now. We have objected when the Appropriations Committee has done this over and over. I spent literally hours out here at night, late in a session, objecting to earmarks in appropriations bills under Democratic control of the Congress. Now, I find that we do it over and over again in our own authorization bill.

Mr. President, aside from shipbuilding earmarks, I am troubled by the submarine research and development language. Section 132 of the bill requires the Secretary of Defense to design, develop, and procure four nuclear attack submarines using ''new technologies that will result in each successive submarine * * * being a more capable and more affordable submarine than the submarine that preceded it.'' There is no recognition in the language of the costs and risks of transforming the submarine procurement program into a research and development prototype endeavor.

No one argues with the goal of having military equipment that is both

more capable and more affordable. Experience demonstrates that when dealing with complicated systems and advanced technology, it is quite difficult to obtain greater capability at less cost. The Russians, for example, tried to increase the capability while cutting costs of their submarines, and several of the products of that effort, along with their crews, lay at the bottom of the ocean.

New attack submarines are among the most complex and sophisticated systems procured by the Department of Defense. It is one thing to establish a goal—there is no problem with a goal—it is something very different to require the Navy to structure its program to make new submarines both better and cheaper without any concern for the difficulty of trying to achieve greater capability at less cost and without any consideration of the risk involved. I believe it is important that the language of the submarine research provision be reviewed and revised to ensure greater consideration of the tradeoff between cost and risk.

Mr. President, I am also concerned that the conference contains a spending ''floor,'' which mandates that $50 million of the funds in the National Defense Sealift Fund can be used only for advanced submarine technology activities of the Advanced Procurement Projects Agency. Mr. President, for a long time, this authorizing committee has strenuously avoided putting floors in bills. We always felt we were the ceiling; appropriators should not go over our ceiling. Neither should we say they cannot spend less than a certain amount, because that basically undercuts the appropriations process. It says to the appropriators that you cannot spend less than a certain amount. We would object to the appropriators going over our ceiling and have tried to avoid having floors in our bill. In this case, we have a floor of $50 million. In fairness, because of my past work with Senator BYRD, the Senator from West Virginia, and my pledge to him that we would try to avoid these items, I feel I need to point out the floors that is in this conference report.

Mr. President, on National Guard and Reserve procurement, the conference report provides $777 million for Guard and Reserve procurement, allocating all funding to specific line items. This is an unfortunate reversion to the way we added funds for the Guard and Reserve years ago. This is not a breakthrough. It has been done before, and it was a mistake. Now, we are repeating that mistake. In recent years, we have gotten away from specific earmarks, and we have authorized various portions of the Guard and Reserve procurement account in a ''miscellaneous equipment'' category. This served two purposes. First, it provided the Defense Department with the flexibility to allocate the funds to DOD's highest-priority requirements without going through a lengthy reprogramming process. Two, it avoided placing Congress in the position of picking literally hundreds of ''winners and losers'' from a long list of items that have not been subjected to any merit-based review within the Department of Defense. In other words, this is an added package for the National Guard and Reserve. These items have not gone through the procurement process or any review by the Department of Defense, but we are picking the items in this report in great detail. I think that is a mistake.

In this conference report, nothing is provided for the generic ''miscellaneous'' account. As a result, the conference treatment of Guard and Reserve procurement is, I believe, worse than either of the two original bills.

I note again that this earmarking of every dime in the Guard and Reserve procurement fund departs from the policy followed in recent authorizations and appropriations acts. In fact, the fiscal year 1996 Defense Appropriation Act provides $777 million for Guard and Reserve procurement, with $377 million—about half of it—provided for miscellaneous procurement. In this area, the appropriation bill has a far better ''good Government'' approach than does the authorization conference report before us today. I say this as one who has been on the Senate floor many times criticizing the appropriations bill. In fairness, I have to point out that we are doing now what we have accused others of doing in the past.

Although I and a number of other Senators voted for Senator LEVIN's amendment to the Senate bill that would have restored the generic nature of the funding, this amendment failed. I accept the fact that the Senate decided to use a different approach, but I note that even under the Senate-passed bill, $65 million was allocated for miscellaneous procurement. Because there is not a single dollar left in a miscellaneous category in this bill, the Department will have absolutely no flexibility to determine the priorities for purchasing additional equipment for the Guard and Reserve—even though the appropriators provided that flexibility.

Mr. President, in closing my remarks, there are several items of particular concern to the Clinton administration that I think Members would at least like to know about.

The conference report contains permanent restrictions on access of servicewomen and dependents overseas to privately-funded abortions and restrictions on service by HIV-positive service members, both of which are objectionable to the administration. The administration has written letters on these points.

The administration also objects to use of the power of the purse to limit the authority of the President, as Commander-in-Chief, to place U.S. forces under U.N. command and control. In addition, the administration objects to the portion of the contingency funding provision that would require the President to submit a supplemental appropriations request to replenish funds used for contingency operations.

Mr. President, I regret that I cannot support this conference report. I know it means a great deal to Senator THURMOND and the other members of the committee and I understand their feeling. I know firsthand the feeling. There are many provisions in the bill which should be enacted into law. But there are many, many more which should not. If this legislation is vetoed by the President as has been recommended by his senior advisers, we will have an opportunity to correct the many flaws in the bill and produce an authorization bill that can be signed into law. I believe it is important for us to do so. I pledge to continue to work toward passage of a subsequent bill if the legislation in this conference report is not enacted into law.

Mr. President, could I be informed how much time is remaining?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BYRD. I have 15 minutes which will be more than I need and I am happy to yield some to the distinguished Senator.

Mr. NUNN. I thank the Senator from West Virginia but I will wait.

Mr. BYRD. How much time do I have, Mr. President?

The PRESIDING OFFICER. The Senator has 14½ minutes remaining.

Mr. BYRD. I thank the Chair. I yield myself such time as I shall require for the time under my control. It will not be 14½ minutes.

Mr. President, this Fiscal Year 1996 Defense Authorization Conference Report contains many needed and worthwhile provisions. A pay raise and raise in the Basic Allowance for Quarters for our active duty military personnel, and new authorities for more competitive and efficient housing renewal programs to improve the often poor quality of living for military personnel and their families, are among the highlights of this bill.

Like the able Senator from Georgia [Mr. NUNN], I believe that this bill is going to be vetoed. As a matter of fact, it is a virtual certainty. I am concerned that the pay raise and the key time-sensitive authorities for raises and other benefits contained in the bill that must be passed by January 1, 1996, be passed on another vehicle this week such as a continuing resolution. We cannot very well be endorsing the deployment of troops to Bosnia and then follow-up by denying them their pay raise.

I am also glad that the contingency force of SR–71 reconnaissance aircraft is authorized for another year, and is fully appropriated in a bill that the President has already signed. I hope that our military commanders in Bosnia will put the SR–71 to work thus providing intelligence to our forces there as soon as possible. But on balance, I believe, this bill contains more problematical and wasteful provisions than it should.

Most importantly, this bill is almost $7 billion over the President's request. In addition, this bill authorizes almost $500 million for additional spending on the B–2 bomber program. The Senate had stripped out funding for additional spending on B–2 bombers from its version of the Defense authorization bill, but like Dracula, the B–2 bomber shows an uncanny ability to rise night after night from the coffin. This $500 million was not requested by the Department of Defense. If the B–2 production line is to be reopened, as some appear determined to make happen, then many more billions will be needed in future budgets. These funds will have to be carved out of other procurement programs, programs that carry a much higher priority with the officials in the Department of Defense.

This conference report also contains incremental funding for a number of expensive ships that were not requested by the Department of Defense in this bill, and were not scheduled to be constructed until years in the future. So, we will put down payments on ships we do not yet need, and worry about how to complete the payments for the rest of the ship later. The attitude here seems to be taken directly from Scarlett O'Hara: ''I'll worry about that tomorrow.'' Furthermore, the shipbuilding provisions in this bill direct work to specific shipyards without a clear industrial base requirement, which undermines the cost-saving potential of competition.

The ballistic missile defense provisions in the conference report also go well beyond the Senate-passed compromise on this issue. That compromise, which was still farther-reaching that I and other Senators would have preferred, would have moderated the rush to build and field untested ballistic missile defenses on an accelerated schedule that could undermine ongoing efforts to further reduce Russian nuclear weapons reduction efforts. The conference report language again raises concerns that far more cost-effective defensive measures, which reduce the threat by reducing numbers of weapons, have been undermined, thereby increasing the threat by possibly igniting a new arms race. There is no current need that warrants accelerated spending on ballistic missile programs.

This bill also provides $30 million to restart the anti-satellite [ASAT] program, a program that had been terminated even during the cold war. Mr. President, we should not be renewing efforts to restart an arms race in space. The United States, which is so dependent on satellite-transmitted communications for civilian and military operations, should be an arms control leader in the space arena.

Mr. President, because of these and other policy issues contained in the conference report, I cannot support it. I understand that the Secretary of Defense has recommended that the President consider vetoing it, and I concur in that recommendation, although I regret the delay in implementing the many good provisions contained in this bill. I look forward to working with my colleagues on the Armed Services Committee on next year's bill. I hope we can craft a bill next year that enjoys broad support, and that does not continue on a path to greater defense build-ups during a time when all other spending continues to decline.

Like Senator NUNN, I believe this bill is going to be vetoed. It is a virtual certainty. I am concerned that the pay raise and key time sensitive authorities for raises and other benefits contained in this bill, which must be passed by January 1, 1996, be passed on another vehicle this week, such as a continuing resolution. We cannot very well be endorsing the deployment of troops to Bosnia and follow up by denying them their pay raise.

Mr. President, I yield the floor.

Mr. THURMOND. Mr. President, as we consider the conference report to accompany the fiscal year 1996 national defense authorization bill, it is imperative to put aside recent partisan criticism of the bill and remember that this legislation contains a significant number of provisions that will benefit our men and women in uniform, many of whom are being sent to Bosnia by our President. In view of the dangers our forces will meet in Bosnia and the hardships their families will endure during the holiday season, it is incredible to believe that many would put politics above the interest of the Nation.

I point out just a few of the provisions beneficial to the Members of our Armed Forces and their families. This is not all of them, this is just a few I am going to mention.

The full military pay raise, if you kill this bill, they will not get the pay raise; increase in quarters allowance, that is badly needed; authority to pay a family separation allowance to geographically separated families. This is important; authority to pay enlisted airmen hazardous duty incentive pay; authority to pay dislocation allowance to those forced to move as a result of base closure; increase specialty pay for recruiters; automatic maximum coverage under the Servicemen's Group Life Insurance; cost of living COLA equity for military retirees;

Reserve components initiatives: Authorized a reserve component dental insurance program; and established an income insurance program for reservists who are involuntarily mobilized.

Mr. President, all of these are good things. These are things the servicemen want. These are things the soldiers want. You kill this bill, you will destroy all this. During the Senate-House conference that considered the fiscal year 1996 defense authorization bill, we conducted bipartisan negotiations with members of the Senate Armed Services Committee, the House of Representatives Committee on National Security, and included representatives of the Department of Defense and White House staff in an effort to craft a bill that would be acceptable to all.

We conferred with all these people. We did the very best we could to get a bill that would be acceptable to everybody concerned here.

Mr. President, I hope that we can pass this conference report in the same bipartisan manner. I urge Members to come to the floor, debate the issues, and then give this conference report the strong support it deserves.

NAVAL PETROLEUM RESERVES

Mr. President, while I am on the floor, I observe that my good friend, Senator NUNN referred to the naval petroleum reserves and indicated the Government would not be protected properly under this bill. That is incorrect.

I want to say this.

The conference agreement on the sale of 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 NPR–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 to be in the best interests of the United States.

Mr. President, these two clauses essentially mean that NPR–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 is 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—and I want to remind my friends on the Democratic side of this—by the 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.

So, our Government is thoroughly protected under this bill in the matter of the petroleum reserves.

Mr. President, I yield the floor and I reserve the remainder of my time.

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

The PRESIDING OFFICER. The Senator has 30 minutes.

Mr. GLENN. Mr. President, I yield myself such time as I require.

I rise today to offer some remarks concerning the Department of Defense conference report now being considered by the Senate.

I join Senator NUNN in his comments earlier today on the Senate floor here, in complimenting our committee chairman, Senator THURMOND, the staffs, and those who have worked a long time on this bill.

I do not like to see charges of partisanship leaking into this year's debate because I have been a Member of the Senate for some 21 years, a member of the Armed Services Committee since 1985, and I have not always agreed with every line-item spending decision or every word of legislation included in past defense authorization and appropriations bills during my tenure here. Mr. President, I have supported those measures without regard to who controlled the Senate or who controlled the White House. I can say that without any qualms of conscience whatsoever. What I have worked for here is what is best for the United States of America and what is best for the security of the United States of America and our interests all around the world.

I understood in the past that I would not agree with every item, but overall these bills have included, on balance, more positive aspects, so I could go ahead and vote for them.

Much has been made of the fact that this bill does have some very, very good things in it with regard to pay, with regard to housing, with regard to aviation retention pay and some things like that. I support those items fully. I think we can still get those passed, even if this bill were not approved on the floor. I am already a cosponsor of an amendment to the continuing resolution that is being proposed to provide for those things, whether they are in this bill or not. So that will take care of some of those concerns.

But, having said that, it is with much regret—it really is with regret—I find I must oppose this year's authorization conference report. I never before in all the time I have been in the Senate have opposed authorization and appropriations bills for defense and I very much regret that I had to this year. I voted against the Senate version of this bill and gave my reasons here on the floor and had hoped the bill could be improved in conference. Unfortunately, I do not believe that is the case. I believe the bill is not as good as the Senate bill that we sent to conference. So, for the first time in over 2 decades, I will vote against a defense authorization conference report. Let me just enumerate some of the reasons why.

One of the top items in my estimation is that the carefully-crafted ABM language in the Senate bill, which we worked on very hard, and was only marginally supportable for many of us in the first place, has been made unacceptable. That is a very, very important item. This involves our balance of missiles around the world, and the conference report at the very least gives the appearance that the United States intends to unilaterally violate the ABM Treaty.

On August 2, 1995, I discussed at some length my concerns over the version of the fiscal 1996 defense bill that was voted out of the Armed Services Committee. In that statement I described several problems with the bill's language on ballistic missile defense. Because the bill before the Senate today, I very much regret to say, does nothing to alleviate my concerns on this crucial issue—and I do term this a crucial issue—I must rise to speak, once again, against this ill-advised language.

March 5 of this year marked the 25th anniversary of the entry into force of the Treaty on Nonproliferation of Nuclear Weapons, better known as the NPT. Thanks to some good diplomatic work by the Clinton administration, a task made all the easier by the good basic sense of the diplomatic objective, the United States succeeded in achieving its longstanding goal of securing unconditionally the unlimited extension of this treaty. No more of the 5-year things, where the NPT review had to meet every 5 years and decide whether we are going to go ahead with something like a nonproliferation treaty. This year the United States took the lead in pushing for, and was successful in getting unconditionally, the unlimited extension of this treaty. That was a major step.

So, the primary purpose of that treaty is to curb the global spread of nuclear weapons. Article VI of the treaty commits the United States and other parties to make good-faith efforts relating to what the treaty calls the ''cessation of the nuclear arms race,'' something I have fought for ever since I have been in the Senate, some 21 years. It started clear back in 1978, with the Nuclear Nonproliferation Act that I was the author of.

Fortunately, here, too, the administration deserves some credit for its efforts on behalf of the START II treaty which the Senate should vote to ratify very soon. The START II treaty will substantially reduce the nuclear stockpiles of the United States and Russia, and will eliminate altogether not just the last of Russia's heavy nuclear ICBM's, the SS–18, but will also eliminate the most destabilizing weapons, land-based ICBM's with MIRV's, the multiple independently targeted nuclear warheads. These are known as MIRV's.

In achieving these goals, America will take a long step in fulfilling its key arms control obligation under the NPT. Yet, START II does not deserve to be ratified just because it is consistent with America's clear international obligations under the NPT.

The real reason all Americans should support the START II treaty is the most basic one. It serves the national security interests of our country. It serves our interests.

Amid all of this progress on the NPT and START II fronts the new majorities of the Senate Armed Services Committee and the House National Security Committee have inserted language into the current defense bill that will put America on a path, as I view it, out of the Anti-Ballistic Missile Treaty. This treaty prevents both the United States and Russia from deploying a national missile defense against strategic nuclear attack, and in doing so the treaty has helped to lay the foundation for these deep cuts in the nuclear stockpiles. Furthermore, the treaty itself is holding down the enormous costs of maintaining the U.S. nuclear deterrent. The lack of a Russian defense against strategic United States nuclear missiles means that we can accomplish much more with less. If Russia is permitted to deploy a defense against such missiles, as it would if the ABM Treaty should collapse, we will end up having to spend a whole lot more for a whole lot less security.

I have no doubt that Russia's political, military, and parliamentary leadership will view the language in this bill as an assault on the ABM Treaty. It is an action which would only create new incentives for Russia to reassess, or even abandon, its arms reduction obligations under START II. How the Congress could be seriously considering pulling America out of the ABM Treaty given the likely reaction such a step would trigger in Russia is a mystery to me. It is a recipe for rekindling a strategic nuclear arms race. Surely, the gains to U.S. security by retaining a strong U.S. commitment to the ABM Treaty override any gain from the costly and dubious missile defense scheme offered in this bill.

Specifically, the bill requires deployment of a national missile defense system by a fixed date. I repeat that. It requires the deployment of a national missile defense system by a fixed date. Let me tell you how ludicrous that is just on the surface. The system has not been invented yet. Yet, we require that these scientific breakthroughs that would let us even put up a missile defense system that would be halfway capable have not even been invented yet, and, yet, we are requiring a date certain for it to be deployed.

It requires the deployment of ABM systems that are not permissible under the current treaty. It includes a unilateral definition of ABM systems that can be developed in a treaty. The Chairman of the Joint Chiefs of Staff, General John Shalikashvili has warned that such a statutory definition could jeopardize the prospects for early ratification of the START II treaty in Russia and negatively impact our broader security relationships with Russia.

The missile defense language in this bill will lead not only to massive expenditures on missile defense systems that will never prove to be 100 percent effective but will eventually lead to even more massive expenditures—not just of public funds, but also of diplomatic capital, I might add—on offensive nuclear weapon capabilities. We will need to deal with a Russian strategic missile defense system. Whether one looks at the budgetary, or the strategic implications of this language, the results of such an examination I just think can only be termed ''foolishness.''

I would like to work with the new majority on the Armed Services Committee to address missile threats in a way that does not destroy the ABM Treaty. But I see little indication on this bill, or elsewhere, that the majority is interested in investing in prevention of missile proliferation. Instead, they want to pour out pounds or megatons of fallacious cures. What the majority should be proposing are new measures to prevent missile proliferation from occurring in the first place as opposed to shelling out tax dollars on sophisticated hardware and software to deal with—or, more accurately, pretend to deal with—the problem after the fact. As I see it, this is a solution out looking for a problem because we do not have all the threats from abroad that we used to have. I will go into that in just a few moments.

Congress's new majority is proposing nothing, for example, to ensure that U.S. missile proliferation sanctions are strengthened and implemented in a manner that serves as an effective deterrent to proliferation. I see nothing to indicate a new effort to strengthen export controls—for example, something I have long advocated and put in legislation and had passed—or to encourage measures to strengthen the MTCR, the Missile Technology Control Regime.

Meanwhile, in this—what I view as a meat-ax approach to budget reduction—the State Department funds are being chopped back so that even fewer resources will be available for the pursuit of diplomatic measures aimed at halting nuclear and missile proliferation. Many in this new majority continue to seek the elimination of ACDA, the Arms Control and Disarmament Agency, which has worked hard over the years to strengthen U.S. policies in just these areas.

In their zeal to inveigle our country out of the ABM Treaty, the new majority continues to tout an alleged missile threat from what they call rogue nations out there lurking somewhere in anticipation of launching ICBM's against targets in the United States. This whole rogue nation argument is simply an old-fashioned red herring. It a distraction from actions that are really needed to strengthen our national defense. Indeed, rogue nations may pose less of a threat to us than rogue defense bills like some of the provisions in this one that we have here today.

I have noted several times the testimony before the Select Committee on Intelligence, of which I am a member, of the former director of the Defense Intelligence Agency, Lieutenant General James Clapper, on this missile threat. He stated last January that ''We see no interest in or capability of any new country reaching the continental United States with a long-range missile for at least the next decade.''

In correspondence dated December 1, 1995, the CIA informed Senators LEVIN and BUMPERS that the missile threat as identified in this bill was overstated. Though I fully agree with the CIA assessment, the agency could well have gone further by noting that, contrary to a popular belief, missiles are not proliferating in the world today. Indeed, in some important respects there has been a decline in certain types of missile proliferation threats. Over the years, we have seen the elimination of long-range missile programs in Brazil, Argentina, and South Africa. The Iraqi missile program has been destroyed. Egypt's efforts to build a long-range missile program has been terminated, and nobody seriously believes that Libya will have an ICBM capability any time soon. In the INF Treaty, the United States and Russia agreed to eliminate a whole class of missiles, and the START treaties have cut back substantially the numbers of nuclear ICBMs. When looking at missile programs that remain in the Middle East, South Asia, and East Asia, it is obvious that there is a global missile proliferation threat that must be addressed. Indeed, we could soon be witnessing robust missile races in at least two of these theaters, if they are not underway already.

But do these developments justify a U.S. walkout from the ABM Treaty? Of course, not. On the contrary, we should ask the following: Do these developments justify an increased U.S. effort to enhance its intelligence capabilities, both analysis and collection; to strengthen export controls, both licensing and enforcement; to implement sanctions, both to punish and to deter; to ensure that our diplomats have the resources they need to roll back these programs; and, to ensure the readiness of U.S. forces that are deployed abroad to defend themselves against tactical missile attacks? Yes to every one of the above, especially the last.

I want to see our defenses for our frontline troops, and those who may be in a combat's way, protected against the tactical missile attacks.

But, nevertheless, I remain an optimist. I am hopeful that the new majority will someday come around to the view that Star Wars is not the panacea to proliferation. Indeed, a Star Wars we have yet to invent cannot be placed in place by a certain time because we have not invented all of it yet. We know from our star wars experience before that it is a bigger problem than anybody thought it was going to be back in those days.

When they do, I will be ready to work with them to get our nonproliferation and arms control policies back on track. Judging from the content of this bill before us today, that day has clearly not arrived. So I remain firmly and unalterably opposed to this misguided missile defense legislation. I urge all my colleagues to join me in pressing this opposition for as long as it takes to restore some sanity to this program.

Mr. President, I note for my colleagues that in my view this language is reason enough alone to oppose passage of the conference report. There are other reasons as well. This bill had $7 billion added above and beyond what the administration requested—one of the main reasons why I voted against it going in, before it went to conference.

If that money had gone to operation and maintenance accounts where it is needed, if it had gone to pay all of our bills from peacekeeping operations already passed, which is somewhere around $2 billion, if it had gone for programs like that and things that we really need, depot maintenance, things like that where we are behind and did not have adequate budget provided, then I would not have objected. I would have said fine, we needed that and the administration should have requested it to begin with. But that is not where the added $7 billion additional went.

One-half a billion dollars is unrequested and unwelcome B–2 funding that can be used to start new production and was brought back from conference, and another one-half a billion dollars was added to the national missile defense account. These two funding decisions are merely downpayments on huge programs in the outyears. And they make a mockery of the desire to balance the budget and eliminate deficit spending. We have part of the Government shut down here arguing over the budget,

whether we are going to be able to get a balanced budget. Then we have add-ons like this for things that were not needed at all, and they are downpayments on huge programs in the outyears.

If these programs alone go forward, the funding contained in this conference report represents a commitment to many, many more billions out there in the future. I think just the national missile defense program in the outyears requires outlays by one estimate of at least $43 billion, if we carry it out as it has been spoken of. I cannot support wasting precious taxpayer dollars on the B–2, for instance, that is well over half a billion a copy. That is taking out even all of the sunk costs of the past. And we know that every time we have made an estimate in the past on the B–2 it has gone up. One of the estimates was above half a billion per copy. It is around $650 to $700 million right now, if you figure all the costs that have to go into hangars and things like that for each airplane that is produced.

The plane is an aerodynamic wonder. It truly is. I had the pleasure of going out and flying it not long ago. It is one that has cleared the hurdles that we in the Armed Services Committee put in to make sure that this unique airplane would indeed pass all of its aerodynamic tests. It does not have a rudder up there. You never see a vertical surface on that airplane. It meets all the different aerodynamic requirements in how you control it, and it is an aerodynamic marvel, I can guarantee you that. It flies beautifully. But when you put between half a billion and $1 billion per plane, it just is too much.

Once again, I would say what we have provided here is something that is not required, not necessary, and is another solution looking for a problem. We have bombers that the Air Force has said are adequate when we combine what we have with the B–2's already produced or provided for and the B–1's. Those give us enough bomber capability to meet any threat we see right now.

Overall, the funding level in this conference report is too high and the bulk of the funds will be spent in the procurement accounts, not on items requested by the Pentagon, not on requirements of the President's request that he sent to us but on items built in members' home districts.

Now, the conference report authorizes the purchase of items not requested such as purchase of F–15's. Well, who does that benefit? The purchase of F–16's. Who does that benefit? The purchase of extra F/A–18's. Who does that benefit? The purchase of extra C–130's. The purchase of extra C–21's, Lear jets, not requested by the Pentagon. These were add-ons. At a cost of an additional $1.6 billion, the conference report also authorizes the procurement of the LPD–17, the LHD–7 and an additional DDG–51, all three not requested by the Pentagon, not requested by the administration, yet they are add-ons. Who benefits? Whose district? Whose States benefit? How did those get into this conference report when the administration did not want them, at least not in this year's budget plan of how we are going to spend our increasingly scarce defense dollars?

Mr. President, I have supported add-ons where they make sense in the past, and I would have supported some of the add-ons in the conference report, but the magnitude of the add-ons, the magnitude of all of these—just one of them is not enough to sink this bill, but you put them altogether, the add-ons and the solely parochial rationale supporting some of them, it is impossible to support this conference report.

The conference report does not stop at spending too much on programs that we either do not need now or do not need at all. This bill marks the return of widespread earmarking in the authorization process. That is where you have a requirement for a certain aircraft or a certain item being purchased but it also specifically words things in a way that it has to be spent exactly where they want it spent in a certain person's district or a certain person's State.

The unpalatable earmarking of close to $800 million that was included in the Senate for reserve component equipment has been expanded and now the bill contains additional earmarking in the shipbuilding and ship repair accounts.

Earmarking, Mr. President, is a practice that the Armed Services Committee has in the past worked tirelessly to weed out of its bills. And through the years I think we have been reasonably successful in getting some of that earmarking wiped out. In the end, those efforts even impacted the appropriations bills which a few years back stopped earmarking the reserve component equipment accounts. And ironically, the appropriators for the most part chose not to earmark their bill this year, and it is the authorizers now that have loaded up our bill with so much pork that I referred to it one day on the Senate floor as an ''agriculture bill'' because it has so much pork in it.

Mr. President, another remarkable provision in the conference report requires the sale of the Naval Petroleum Reserve. When this issue came up during consideration of the Senate bill, many of us disagreed with requiring the sale of this money-making asset, but we were bound to sell the reserve by reconciliation. In light of that reconciliation mandate, the committee worked to put safeguards in place in the authorization bill to make sure the American taxpayer got the best possible return on the sale of this asset. What is remarkable about the conference report with regard to the petroleum reserve also, it was dropped out of reconciliation. We would no longer be forced to sell the reserve but for the fact the authorization conference report now requires it to be sold. So it is dropped out of one report, the reconciliation bill, but kept in this authorization conference report and requiring that it be sold within 1 year. That is what made this thing really unacceptable: It required that it be sold within 1 year.

The conference report undermines its own so-called safeguard by creating a buyer's market for the reserve, not an environment conducive to obtaining the best deal for the seller, the American taxpayer.

At the same time, the conference report adds earmarked funding for programs of which there is a questionable requirement, the conference report takes a $450 million cut in the account that funds cleanup of our nuclear weapons complex, a requirement which I view as a moral as well as a legal obligation. That is one that I feel very strongly about. The cleanup is required because we started back about 1985 with a report that I got into, or asked the GAO to do on the Fernald part of the nuclear weapons complex, and at Fernald we found out there were lots of problems. I asked for studies of other places around the nuclear weapons complex and now have a stack of GAO reports probably 3½, 4 feet high through the last 10 years that have outlined this problem, going from a nuclear cleanup cost estimate back in those days of $8 to $12 billion for everything to now up to around $200 to $300 billion over a 20-year period, if we can figure out how to do it. Yet, we reduce funding for it in this year's bill.

On what we might term social issues, this conference report, I believe, should be opposed. It prohibits service members and dependents from obtaining abortions paid for with private funds and just using military medical facilities, except in the cases of rape, incest, or where the life of the mother is in danger.

If you are a female member of the armed services or a wife stationed somewhere overseas, you may not have the option of going to outside facilities as good as you would have if you were home in the United States. In the past, we have permitted cases of abortion where it was paid for with private funds but using the military medical facility. That is prohibited now with this legislation.

The conference report also discriminates against HIV-infected service members by requiring their discharge.

These are just some of the issues that have been attributed to my decision to vote against this conference report.

I would like to comment for a moment on the process that led up to the conference report.

Mr. President, this conference lasted for something close to 95 days. Conferees met at the panel level for 2 weeks—the panel level now, the subcommittee level—before being dissolved with outstanding issues still to be considered at the full conference level.

From the time the panels were dissolved, nearly 3 months ago, until the committee members were informed last week that agreement on all issues had been achieved, the conferees met one time—just one time—and that was not for the usual purpose of conferees meeting. The purpose of that one meeting was to give the outside conferees the opportunity to express their views. The other committees that were involved in some way that were permitted the courtesy of coming in and giving their testimony to the conferees, and that was the purpose of the one meeting.

So when the panels dissolved, many, many issues remained unresolved, and the Senate conferees were never convened to discuss strategy for retaining important Senate positions, like the ABM language or funding for the B–2, positions that were strongly supported by the Senate as a whole.

In the case of the ABM language, we had an overwhelming vote on the floor of the Senate, and the Senate position on B–2 funding was the result of a rollcall vote taken in committee. Dialog at the conferee level may have changed the outcome on some of the items that were given up to the House.

Before concluding my remarks, Mr. President, for the record, although I do not support and will not vote for the conference report, I certainly do support the acquisition reform provisions contained in this legislation and hope we can attach those to some other piece of legislation if this bill should fail.

Should this legislation be enacted, at least acquisition reform provisions can help make a better and more effective Government. Should the conference report fail to be enacted, I hope we can find a way to enact these procurement reforms by some other vehicle.

Mr. President, I would like to take a few minutes to speak about some of the better points of the conference report for the fiscal year 1996 DOD authorization, specifically, divisions D and E on acquisition reform and information technology management, respectively.

As you know, Mr. President, last year, the Congress passed the Federal Acquisition Streamlining Act, known as FASA, the first major piece of procurement reform legislation in a decade. Passage of FASA constituted a critical victory in the war against government inefficiency. It is a comprehensive government-wide procurement reform effort aimed at streamlining the acquisition process by reducing paperwork burdens through revision and consolidation of acquisition statutes to eliminate redundancy, provide consistency, and facilitate implementation.

Now, I do not think anyone expected a second comprehensive round of reforms to follow so closely after FASA, especially while we were awaiting the new regulations, but with the dawn of the 104th Congress, we saw a proliferation of new and revitalized procurement proposals. I even introduced a bill myself on behalf of the administration, S. 669, the Federal Acquisition Improvement Act. Although I did not support every item in that bill, I am pleased to say that some of the better concepts have been included in this year's acquisition reform package.

Before I talk about the substance of the bill, I want to say a word about the process that has been used to reach this end product. As with many bills, a vehicle is often sought for expedient passage. This year, the vehicle for government-wide acquisition reform is the DOD authorization bill. I want to be very clear when I say that I do not expect this to set a precedent for future acquisition reform discussions. Though most of these changes will also apply to the Defense Department, it was not my preference to enact government-wide changes on a DOD bill. Expediency in legislating does not always produce the best results.

However, once the decision was made to go this route, we have worked hard to make the best of a less than favorable situation. A staff-level working group in the Senate spent several months scrutinizing each and every proposal to identify the most useful and most needed provisions. Even though the Senate had only two subcommittee hearings, we have done the best we could to consider opinions from interested parties however possible—by phone call, mail or meeting. And even without the formal medium of a hearing, we tried to consider as many viewpoints as possible, and I sincerely hope that no one feels excluded from this process.

With that said, I am pleased to support, with one exception, the end product of what I consider an effort to build upon the acquisition reforms we initiated last year in FASA. The one exception is the proposed changes this bill makes to the recoupment laws which I do not consider to be part of acquisition reform. I cannot support this change.

I would like to take a moment to highlight a few of the more significant changes being made to procurement law and explain my position on recoupment.

In the area of competition, the Senate steadfastly refused to alter the current definition of full and open competition, found in the Competition in Contracting Act of 1984 [CICA], despite a House proposal to the contrary. but to ease the burden on contractors, both large and small, who expend large amounts of money to compete for contracts which may never be awarded to them, we have instead authorized the use of two phase competitive procedures for certain construction contracts and allowed contracting officers to limit the competitive range of offerors to those who are judged to be best qualified.

In the area of commercial items where a lot of work was begun last year with FASA, we have created a 3-year authorization for the use of streamlined procedures for the purchase of unmodified commercial items under $5 million. This should reduce the burden on contractors and shorten the deadlines and time it takes the government to acquire commercial items since less time is needed to prepare an offer. We also authorized the waiver of most statutory requirements for government contractors when we purchase off-the-shelf commercial items, because it is impractical and inappropriate to routinely apply government-unique requirements to ordinary commercial items that may be provided from a commercial assembly line or over the counter. We also define off-the-shelf commercial items and refine the definition of commercial services.

Procurement integrity was an issue which was left unresolved last year by FASA with an agreement to take it up this year. We have streamlined these provisions to prohibit the improper disclosure of inside information, and included a recusal provision which would provide a statutory basis and statutory enforcement for ethics regulations already in place, and a limited revolving door provision, which would prohibit certain agency officials from going to work for a contractor for 1 year after certain involvement with certain contracts.

In the area of protests and dispute resolution, repeal of the infamous Brooks ADP Act consolidates administrative protests in the General Accounting Office [GAO]. I am very pleased with this solution.

I recognize that a protest is intended to be an action brought on behalf of and in the best interest of both the government and the taxpayer, making sure that both get the best deal. However, it seems to have gotten to the point where agencies routinely build time for protests into major procurements from the start, because companies often proceed with a protest if they lose out on a contract, regardless of the government's explanation for their loss of that contract. Because every major procurement or program seems to generate its own flurry of protests, I strongly prefer the GAO as the administrative forum of choice where the process is less formal, less costly, and less judicialized.

I also recognize that GAO does not have the authority to issue binding declaratory judgements and that its decisions are merely recommendatory. There are very few instances where the agency has not followed a GAO recommendation, however, and in those instances, the agency must account to Congress for its actions, preserving the Congressional oversight role.

Among other things, we have also severed the linkages between the successful implementation of a Federal Acquisition Computer Network and the FASA-authorized simplified acquisition threshold and pilot programs; reduced the number of certifications required of contractors; delayed the implementation of FASA's cooperative

purchasing program until after a GAO study has been completed and reviewed; required agencies to conduct cost-effective value engineering programs; established requirements for the civilian acquisition workforce; authorized a demonstration project for personnel management in the DOD acquisition workforce; and amended the OFPP Act to eliminate obsolete and unnecessary provisions.

Division E of the DOD bill, originally Senators COHEN and LEVIN's information technology management reform bill, will reform the way the Government both buys and manages its information technology systems. This section of the bill will not only force agencies to take a more strategic view of their information assets and enhance up-front planning, it will give the Government the tools it needs to keep up with the rapid pace of technological change in the information arena. It will also add to the information resources management reforms of the Paperwork Reduction Act of 1995, of which I am a co-author. Hopefully this will lead to a substantial reduction in the number of horror stories we hear every year about information systems that are late, over budget and do not work.

Finally, as I stated earlier, there is one provision that has been included as acquisition reform, but which I exclude from this category. This provision—which I cannot support—would essentially eliminate the requirement to recoup R&D costs paid by the U.S. on foreign arms sales. Even though the Secretary of Defense will be given authority to waive the recoupment fees only under certain circumstances, I am just not convinced that these changes are necessary, narrow as they may be, even if corresponding reporting requirements were added. The U.S. is already very competitive in world arms markets; new incentives are unnecessary. In the past, I have opposed other initiatives to use government institutions or government funds to underwrite foreign arms sales. Given our current dominance of the market, further encouragement of foreign arms sales is neither necessary nor desirable.

Mr. President, it is easy to see that even after FASA, we have continued to address more difficult and complex issues with this second round of acquisition reform. Although I do not support and will not vote in favor of the DOD conference report, I am glad that, if it passes, at least the acquisition reform provisions can help to make a better and more effective government. And if the conference report does not get enacted, I hope some way can be found to enact these procurement reforms in another context.

The PRESIDING OFFICER (Mr. COATS). The Senator's time has expired.

Mr. GLENN. Mr. President, I ask unanimous consent for an additional 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator is recognized for an additional 5 minutes.

Mr. GLENN. Mr. President, to summarize some of the President's budget request, there was an additional $5.2 billion added, basically, to the following accounts:

Army aircraft, $336 million added;

Missiles, $189 million added;

Wheeled and tracked combat vehicles, $357 million added;

Other procurement, $506 million added.

In the Navy:

Aircraft, $686 million added;

Weapons, they subtracted $127 million on that one;

Ships, added $1.6 billion in ships that were not requested;

Ammunition, plus $430 million;

Other procurement, $18.6 million.

In the Air Force:

Aircraft, added $1.2 billion;

Missiles, cut $709 million;

Ammunition, added $343 million;

Other procurement, minus $536 million.

National Guard had $777 million added, most of it earmarked.

Specifically an additional $212 million for six more F/A–18's;

An additional $1.4 billion for the LHD–7;

An additional $974 million for the LPD–17;

An authorization for 3 DDG–51's while only providing the money for two;

An additional $493 million for B–2 with no limitation on how those funds can be spent, including new production, which could be the decision later on. That language was fought over in the conference, I understand.

It also had an additional $311 million for F–15E's;

And an additional $159 million for F–16's.

So, Mr. President, I support some of the good things I think were in this legislation, such as the military pay raise, the additional basic allowance for quarters and aviation retention pay. I hope that we can put those on to other legislation. I am the cosponsor of legislation to do that.

For all the above reasons and more, I regret for the first time I will not be able to vote for a conference report on this. I do regret it very much. I know how hard the chairman, Senator THURMOND, has worked on this and how much he wants this. I do wish very much that I could support this, but I find that I just cannot, for all the reasons given above.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I yield myself as much time as may be needed.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. Incidentally, the distinguished Senator from Ohio asked for 5 additional minutes. I ask unanimous consent that our side have 5 additional minutes.

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

Mr. GLENN. Mr. President, reserving the right to object, and I do not plan to object, I intended that the 5 minutes come out of our allotted time, not 5 minutes added on to the debate.

The PRESIDING OFFICER. Without objection, the additional 5 minutes allocated to the Senator from Ohio will be deducted from the time on the minority side.

Mr. THURMOND. If the additional 5 minutes he received is going to come out of that time, then I will not ask for 5 additional minutes. I just wanted to be sure each side had the same number of minutes.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I rise to address the central objection raised by certain Members and the administration against this conference report concerning ballistic missile defense.

The administration has argued that we do not need and cannot afford a national missile defense system. This is a debatable point and everyone is entitled to their own view. But the administration has also claimed that the NMD system called for in this conference report would require the United States to unilaterally abrogate or violate the ABM Treaty. This assertion is simply false.

Over the last several months, the majority conferees engaged the administration and the minority conferees in a detailed negotiation to ensure that all legitimate concerns having to do with the ABM Treaty, the START II Treaty, and the President's prerogatives in the area of arms control were addressed and resolved. This negotiation produced the ballistic missile defense provisions in this conference report.

Unfortunately, once these concerns were addressed, the administration moved the goal line and changed its demands. At the last moment, the White House made it clear that even if we resolved all concerns having to do with the ABM Treaty they would oppose this conference report over a simple commitment to deploy a national missile defense system, even if that system were fully compliant with the ABM Treaty.

Let us be clear about the administration's reasons for opposing this conference report. The administration opposes any National Missile System; they argue that there is no threat and that we cannot afford one anyway. Ironically, the administration is willing to spend hundreds of millions of dollars each year on a National Missile Defense Technology Program that is specifically designed never to lead to deployment. What we are saying is at that level of investment we ought to get something real in return—an actual deployed system.

On the subject of the threat, there is no doubt that there is an existing and expanding threat to the United States from ballistic missiles. With Russian ICBM technology virtually up for sale and with North Korea developing a missile capable of reaching the United States, I do not see how one can argue that there is no threat in sight. This is just another excuse for doing nothing.

To provide some context, I urge Senators to look back at the Missile Defense Act of 1991, which was a bipartisan effort. The 1991 act called on the Secretary of Defense to deploy a National Missile Defense System in 5 years, by 1996. In contrast, the conference report before the Senate today gives the Secretary of Defense 8 years to deploy a similar system.

What has changed since passage of the Missile Defense Act of 1991 is that the administration no longer wants to deal with the problem. I regret this and I urge my colleagues to reject the artificial arguments regarding the ABM Treaty. There are many in the Senate who want to see us abrogate the ABM Treaty. This conference report, however, does not do it.

Mr. President, I would like to respond to a couple of remarks made by the Senator from Ohio. The Senator from Ohio registered his support for administration success in securing the unconditional extension of the Non-Proliferation Treaty. He then went on to articulate his concerns with the ballistic missile defense language in the defense authorization conference and the potential detrimental impact on Russian ratification of START II. He also mentioned his concern about the lack of concern by the new majority with regard to export controls and other measures that would contribute to staunching the proliferation of weapons of mass destruction.

Let me highlight provisions in the Defense authorization conference report which I believe the Senator would agree supports his concerns.

With regard to START II, there are two provisions, one which expresses the Congress' support for ratification and implementation of START II, and another provision expressing the Congress' belief that the United States not take any action to unilaterally retire or dismantle systems until such time as START II is ratified and implemented by both parties. This is consistent with the testimony by the Under Secretary of Policy for the Department of Defense, Walt Slocombe, before the Senate Armed Services Committee during its START II hearing this year. Let me quote Mr. Slocombe's response to a concern that I raised about premature reductions to the U.S. strategic forces, Mr. Slocombe replied,

> . . . we will not begin the reductions necessary to reach the START II levels until the Treaty has been ratified, and we will ensure that the pace of our reductions are reasonably related to the pace of Russian reductions.

It seems ridiculous to me that the administration would oppose the Defense authorization conference report and cite provisions that articulate the administration's stated policy.

With regard to export controls, the Defense authorization conference report includes a provision that expresses the concern of the Congress that it is in our national security interests to maintain effective export controls. Additionally, the conference report expresses its deep concern that the administration has lowered restrictions on a number of dual-use items and technologies with defense capabilities. The conference report would require them to evaluate licenses for the export of militarily critical items that should be controlled for national security reasons; requires the Department to review export licenses for biological pathogens; and requires a report on actions taken by the administration to ensure that it is maintaining an active role in review export licenses in a number of areas, such as space launch vehicles, supercomputers, biological pathogens, and high resolution imagery. The conference report also makes recommendations to strengthen proliferation regimes, such as the Missile Technology Control Regimes. The conference report also contains provisions to strengthen the Iran-Iraq Arms Nonproliferation Act of 1992.

Last, the Senator from Ohio mentioned his concern that the Defense authorization conference report does not contain enough funds to pay our peacekeeping assessments to the United Nations.

Mr. President, the Defense authorization conference report is not the appropriate legislation to pay peacekeeping assessments, the appropriate legislation is the foreign aid and foreign operations appropriations bills.

The Defense conference report before the Senate contains funds to pay for contingency operations in Iraq, which Secretary of Defense Perry asked for, but was not included in the Defense budget request. It also includes $50 million for humanitarian assistance and $20 million for humanitarian demining activities. Items which quite frankly should be funded in the international affairs budget function, but which this committee has supported.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. LOTT. Mr. President, I would like to inquire about the amount of time that I could have on this. Is the time under the control of the distinguished chairman?

The PRESIDING OFFICER. Yes.

Mr. THURMOND. I yield to the Senator as much time as he may desire.

Mr. LOTT. I think 15 minutes should do it.

The PRESIDING OFFICER. The Senator is recognized for as much time as he desires.

Mr. LOTT. First, Mr. President, I would like to commend and congratulate the distinguished Senator from South Carolina, the chairman of the Armed Services Committee, for his excellent work on this legislation, his dedication, his perseverance. There have been many times during the process of the development of this bill—in the Senate Armed Services Committee, on the floor of the Senate, in conference—when the hurdles looked like they were unachievable, that we just were not going to be able to move forward to the next issue or move the whole bill. But in each instance along the way, the Senator from South Carolina has insisted that we work together, between the members of the Armed Services Committee, across the aisle, between the Senate and the House, and between the Congress and the administration. It has not been easy. This is a big, important bill for the future defense of our country, and we would not be here without the leadership of our great Senator from South Carolina. I commend him and thank him for the opportunity of being involved in the process to move this legislation forward. Of course, I also want to thank the distinguished ranking member on the committee, the Senator from Georgia, Senator NUNN, for his cooperation and his being willing to point out where there were potential problems and to try to find solutions we could live with.

Mr. President, when the Defense Authorization Committee began this conference in early September, Members from the House and Senate worked for swift resolutions to issues of dispute between the two bills. While most conferences include issues which are difficult to negotiate, this conference clearly was especially difficult in trying to work out an agreeable conference report. Once the conference discussions began, it was evident that huge differences existed between the House and Senate conferees and the administration. Chairman THURMOND, Chairman SPENCE, and countless other Members, worked vigorously to try and bridge the differences, and a substantial compromise was required to resolve these issues. In fact, they were achieved. We did reach a compromise, and that is why we have this conference agreement. That is the way all conferences work. You always have differences between Republicans on the Armed Services Committee—between Democrats and between Republicans and Democrats, and between the Congress and the administration. That is what happened here. After a lot of hard work, we were able to achieve this conference agreement.

There were countless issues in this process that I felt strongly about. Several of them were resolved in a way that I do not particularly like. But the greater good is involved here. I think this is a conference report I can support, should support, and I also think the Senate should agree to. I understand that there are feelings in the minority that maybe they were not consulted enough as we went along. I do know that our staffs communicated

and that as negotiations were underway, our staff really worked hard to keep the staff on the other side informed. I do know that Senator THURMOND worked with Chairman SPENCE, and I know he worked with Senator NUNN. I had repeated conferences myself with Senator NUNN. He was very tolerant in talking on the car phone late at night and early in the morning. I talked to Senator EXON about a variety of issues in the conference, and I know that other Senators of both parties talked back and forth.

So while maybe it has not been a perfect process, we have learned from the process and we do have a result that I think we should be able to live with. I have listened carefully to the criticism on this final agreement. Some Members do not believe they were fully involved in the negotiations. Other Members just do not like some of the final results. I can remember, though, year in and year out when Senator NUNN and Chairman Aspin would convene the big four to resolve differences in the absence of the remaining members of the committees. There has been some complaint that there were not enough people involved in the loop. But I do have a memory of how, not very long ago, the big four finally got down to the big issues and met, and if the big four could not resolve the final problems, the chairmen met to make the final call—perhaps Chairman NUNN and Chairman DELLUMS. So there is nothing really different in the way we proceeded this time.

So we need to distinguish between unhappiness over the process and disagreements over what the right answers are on the policy questions involved. I agree that the process can always be improved. But opposition should not be raised against this bill because of objections to the way the conference was conducted.

This bill will serve as a roadmap for meeting America's national security needs in the future. This bill will guide the Department of Defense in its research and development, acquisition of weapons systems, personnel policy and force structure levels.

Friday, some Members began listing items they regarded as unacceptable in this bill to the point of deciding to oppose the conference agreement. Items identified as being questionable or unacceptable include these among others: The missile defense language; removal of statutory requirements for Assistant Secretaries for Special Operations and the Director of the Office of Operational Test and Evaluation; reduction in the time required for sale of the naval petroleum reserve by 1 year. Now there is a reason to oppose this bill. Big deal. You are going to vote against the Defense authorization bill because of a 1-year difference in when we sell the naval petroleum reserve? I do not find that very defensible, frankly. We also had the directed procurement of some ships to specific shipyards. I did not particularly like the agreement reached in some of these areas, but it was a compromise. It was one where we had strong feelings on both sides of the aisle from the Senate that was different from what the House wanted. But we kept pushing and pushing, and we finally got agreement between Senators of both parties and House Members of both parties. I would prefer not to have gone with the agreement that came up on those ships. But that is the art of compromise. You give—sometimes a lot—and you get a little and you come back another day and try again.

There are those who say there are too many certifications and reports required by this bill. Should we not be getting certifications and reports from the Pentagon to the Congress? I thought the Congress in the past has felt very strongly that we need to be kept informed. I think we did not go too far there.

There are some buy American requirements for certain components in this bill. We did not have it in the Senate bill. The House felt exceedingly strongly about it. We got them to make some changes, some modifications. I think that the requirements that are in here are livable. Would it be better if we did not have them? I guess, maybe so, although I think there are a lot of people in this country who wonder why we should not have some requirements that key components be bought in America. After all, these are U.S. tax dollars. Why should we not require some critical systems to be manufactured in America? I think it is dangerous to allow U.S. companies to go under—requiring us to buy critical components from sources outside this country. I also think it involves jobs in America. But, this is a very small requirement in this particular bill.

Also, one objection I have heard is that they do not like the language on U.N. command and control. Now, I want the Senate to think about that. Are you really, really, comfortable with an arrangement that would put our troops under U.N. command and control? Would you not rather have some clear directions on how that would happen or if it would happen? If you want to vote down the defense authorization bill because of our command and control language with regard to the United Nations, have at it. I can tell you the American people will not be with you, and I do not think it is smart from a defense standpoint.

Given so much is made of these various items, I want to review some of them so that the Members of the Senate will understand the substance of what is involved.

With regard to the missile defense language, the conference report is balanced. It is moderate—arguably by some on this side of the aisle and in the House, too moderate. But that, again, is the nature of the conference. Nobody gets everything they want. The conferees made every effort to accommodate the legitimate concerns and objections made by the administration, and even some objections that I thought were not so legitimate. But we went the extra mile. The conference report resolves all concerns having to do with the ABM Treaty, the President's prerogatives in the area of arms control negotiations and Russian ratification of START II.

Unfortunately, after all of this, the White House is still threatening a veto, and some of our colleagues are complaining as if we did not address the concerns. Let me mention a few of the more specific things that were, in fact, done to meet these objections that were raised.

First and foremost, the conference report contains a provision that is virtually the same as the Senate-passed language on TMD demarcation, which was specifically identified by the administration as acceptable. Now, we had some problems in this area because I frankly had thought we could go ahead and go with the identical Senate-passed language on demarcation, and along the way it kept being changed to say, well, it is not identical but virtually the same and that the words mean the same. There was concern on the other side about that. The language we wound up with, the administration specifically identified it as acceptable and not a problem. So, I assume, then, there is no problem with the TMD demarcation. The House-passed demarcation language, on the other hand, has been singled out as veto bait. Thus, on the single most controversial BMD issue in conference, the administration got what it asked for.

Equally important, the conference contains language on national missile defense that resolves concerns that we might have about setting up anticipatory breach of the ABM Treaty by requiring deployment of a multiple-site NMD system by a date certain. The conference report does not contain the multiple-site requirement which was even in the Senate-passed bill. After a lot of discussions with Senator NUNN and his communication with the administration, we did not want to leave any doubt. So a major concession was made there and, in fact, we have a couple of Senators on this side of the aisle who are seriously considering voting against the conference report because of that concession.

There was a narrow little slither that we could get through. We tried to find that little, small, unmarked passage that we could pass through. I think we found it if, in fact, you want any missile defense at all. Frankly, I suspect there are some on the other side who do not want any missile defenses at all. That is why even though we keep making concessions and coming to agreements, it never seems to be enough.

To ensure that there could be no misunderstanding regarding an anticipatory breach of the ABM Treaty, we remove not only the specific requirement for a multiple-site system, but

two other pieces of language; first, a congressional finding that the entire United States could not be defended from a single site; and, second, a requirement that the ground-based interceptor be deployed in significant numbers and at a significant number of sites to defend the entire United States, including Alaska and Hawaii. I still think it is indefensible that we say we might have one site, but you folks who live in certain areas along the gulf coast or in Hawaii or in Alaska, gee, we may not be able to cover you. Sorry about that. But, we will get the other 48 or so.

In place of this language, we inserted the exact language from the Senate compromise that the ground-based interceptors would be capable of being deployed at multiple sites. These changes were made at the request of the senior Senator from Georgia to resolve his concerns regarding anticipatory breach of the ABM Treaty.

Let me also point out this conference report urges the President to undertake negotiations with Russia to amend the ABM Treaty to allow for a multiple-site NMD system. I think it is in our best interest to do that. It does not just involve our relationship with Russia, but what other countries may be doing in this area. This provision makes it clear that we have no intention—no intention—of unilaterally violating the ABM Treaty. The language does state, if negotiations fail, we should consider withdrawing from the treaty, but this right is already provided for in article 14 of the treaty.

These provisions and others I have not mentioned make it clear that we intend a cooperative approach with Russia in dealing with the ABM Treaty. Nowhere in the conference report is it suggested or required that we violate or unilaterally walk away from the ABM Treaty. In exchange for resolving this ABM Treaty concern, the conferees agreed to retain a requirement to deploy an NMD system by the end of 2003—but without the multiple-site requirement.

Any remaining arguments about this ''anticipatory breach'' of the ABM Treaty or assertions that Russia may not ratify START II due to our NMD program are not based on fact or logic. Russia may not approve START II, but I think it may be because of the Communists and the nationalists that were just elected to their parliamentary body, not because of this missile defense language. I remind the Senate that the only operational ABM system in the world is, in fact, deployed around Moscow. It would be foolish to allow the Russians to blackmail us without regard to actions permitted by the ABM Treaty, as they have attempted to do on a variety of issues, including expansion of NATO and United States policy in Bosnia.

Let us be clear about the administration's real objections with the ballistic missile defense provisions in this conference report. The administration and some of our colleagues here in the Senate do not want the United States to be defended at all against ballistic missiles. That is my fear, at any rate. The administration's NMD program is designed to perpetuate research and development while indefinitely delaying deployment of the most limited NMD system. How long can you go on with research and development? It is like some of the Corps of Engineer projects that I am familiar with. They study them, study them; they do analysis and study. If they put that money into the construction of the projects that they waste on years of studies, we would get our projects a lot quicker, we would not waste nearly as much money. If we are not actually going to do this, how long are we going to go forward with R&D?

My staff was told directly by a senior White House official that the administration would object to any requirement to deploy an NMD system by a date certain, even if that system fully complied with the ABM Treaty. There you have it. That is the crux of the matter.

In essence, they oppose any commitment to deploy a national defense missile system. By way of comparison, by the way, interestingly, in 1991, a Democratically controlled Congress dramatically restructured the Bush administration's SDI program with the Missile Defense Act of 1991, which was a bipartisan initiative, sponsored by the then chairman of the Armed Services Committee. The 1991 act called for deployment of an NMD system in 5 years, whereas the conference report before the Senate today calls for a similar deployment in 8 years. What is the big concern here?

This 1991 bipartisan agreement, that was led by Senator NUNN, Senator WARNER, Senator COHEN, and others, said it would be done in 5 years, by 1996. Now this one says we will not even get it done until the year 2003. If we get to 2002 and we do not have the capability, if we do not want to do it, we do not have to go forward. We can change it. But should we not have some goal that someday we will quit doing R&D and we actually deploy a defensive system? Should we not have a date in mind so this just does not go on forever?

The 1991 act also mirrored this conference report in urging the President to negotiate amendments to the ABM Treaty to allow for a multiple-site NMD system. Think about that again. The 1991 act—bipartisan—led by Senator NUNN of Georgia, said essentially the same thing we are saying here, that there should be an effort to negotiate amendments to the ABM Treaty to allow for these multiple sites. Many of the same Members who stood on this floor in 1991 speaking in favor of national missile defense deployment are now telling the American people not to worry, that we do not need to defend the United States against ballistic missiles.

This defies, not only logic, but our responsibility to provide for the defense of the American homeland. I cannot help but conclude that on the subject of ballistic missile defense, the administration did not negotiate with us in full faith.

For weeks during the conference we heard nothing about objections concerning the ABM Treaty. But even after addressing each one of these concerns, in most cases accepting specific proposals made by the administration or minority conferees, we still hear the same old arguments and are faced with a veto threat. So I am disappointed, although I must confess I am not too surprised right now.

The next question involves the restructured Assistant Secretaries of Defense. Some Members have objected, on both sides of the aisle, to changes in law which impact two civilian offices within the Office of the Secretary of Defense, the Assistant Secretary for Special Operations and Low Intensity Conflict, and the Director of the Office of Operational Test and Evaluation. These Members allege that these positions are being eliminated by this conference report. Now this is not completely accurate.

The conference report simply removes the statutory requirement which dictates that these positions must be maintained. Why did the conference committee makes these changes? Frankly, primarily because the House felt so strongly about it. But, since the late 1980's the militarily services have shrunk by almost 25 percent. The military services have gone down in size by 25 percent. But, during the same period, the Office of the Secretary of Defense has increased in size by over 20 percent. This is since the late 1980's, so there have been Democrat and Republican administrations. But, while the military numbers are going down, the number of civilians in the Office of the Secretary of Defense have gone up 20 percent. How does this make sense? It does not. If you do not remove the statutory requirement that requires the continuation of this imbalance of personnel, the Secretary of Defense is restricted from realigning his office. This conference report empowers the Secretary of Defense. It does not restrict him in this regard.

Does anyone believe the Members of the House and Senate defense committees would eliminate or want to eliminate operational test and evaluation? Absolutely not. It is very important that we continue to emphasize the importance of operational tests and evaluation of new weapon systems. But maintaining our commitment to this function should not preclude our ability to allow the Office of Secretary of Defense to be restructured in order to reduce overhead and save money. After all, in the final analysis, the Office of the Secretary of Defense cannot fight a single battle. Military personnel have to do that. So we are getting fatter on the civilian side at OSD, while we are

slimming down in the actual fighting people.

The same is true of the Assistant Secretary of Defense for Special Operations. We are not in favor of removing civilian oversight of special operations, absolutely not. But the Secretary of Defense should be unburdened from the countless statutory requirements, one of which is this Assistant Secretary of Defense.

A lot of criticism has been made that this conference report mandates the Navy buy numerous component items in the United States only. While it is true the bill contains the requirement for the Navy to purchase certain components with 51 percent U.S. domestic content, it does not contain an absolute buy-American provision.

The United States is out of step with other countries which get involved in the awarding of defense contracts. If a defense contractor wants to bid on a Dutch weapon system, for instance, they require U.S. firms to meet two different tests. First is the an offset requirement—that is you have to bring some amount of money into the Netherlands to offset the amount of money going to the United States defense contractor. Second, the Netherlands requires a certain percentage of the United States defense contractor's work or product to be done in the Netherlands.

Now, we like to do business with the Dutch. But they have requirements on us that we do not have for ourselves. Are we going to get in the position where all of our—or many of our key defense components are built overseas? There is danger there. Surely we see that.

But that is not all the Dutch require. The Netherlands also leverages foreign defense firms by granting larger offsetting credits to United States contractors who increase the Dutch content of the component supplied by the United States contractor. For example, the Netherlands requires a 100 percent offset on all awards to foreign defense contractors, but they have structured an offset credit valuation system which awards more offset credit to foreign contractors who meet 85 percent domestic levels or higher in their country. So, if a United States contractor wants to win a defense contract with the Dutch Government they have two choices: Either they come up with a 100 percent offset for the total value of the contract award, or they have to manufacture 85 percent of that component or system in the Netherlands.

That is not exactly what you would call an open and fair competition for U.S. defense firms. The United States in almost every area of our defense procurement welcomes all bidders without domestic content requirements or offset requirements. How is this fair? It is the same old deal. America says we want free trade but we do not even require that it be equal or fair, not only in this area but a lot of other areas.

This bill simply identifies a list of specific key components and requires that 51 percent of those components be manufactured in the United States. It does not even come close to leveling the playing field in terms of applying the same set of rules on foreign contractors supplying our Defense Department as foreign countries apply to U.S. firms competing for defense contracts in their countries.

Good old Uncle Sam gets to be Uncle Sap once again. We always seem to bend over backward to deal with the problems of our allies but we do not look after ourselves. We are not talking about only one or two countries applying for these domestic content and offset requirements. There is a long list: Australia, Norway, Canada, South Korea. The domestic content provision in this bill is needed. It makes sense. And it is fully warranted, given the practice of other countries requiring offsets by U.S. contractors.

We probably should have done more in this area, not less. But, again, this was a case where the Senate was willing to say no, we are not going to have anything on this. Our House conferees were just absolutely adamant. And we ground it down and we made them give tremendous concessions. We came up with what is really a very small, and I think a reasonable, proposal.

COLA's for military retirees are in this bill. Members need to understand, without passage of this bill military retirees will, once again, fail to receive a fair and equitable cost-of-living adjustment, equal and timely with civilian retirees.

The Armed Services Committee members feel very strongly about this. Again, it is a question of fundamental fairness. I know there is some thinking going on around here, do not worry, we will put it on some train going through here in the next few days and we will take care of it.

There may not be any trains going through here in the next few days. We may be here Christmas day. But the idea we are going to hitch it on to a continuing resolution is very dubious. In the process, our military retirees could get trapped.

We have it in this bill. That is where it belongs. We need to make sure we understand, if we do not pass this authorization bill our military retirees' COLA could be lost. How are you going to explain to the military retirees in your State that you opposed a bill that would bring their COLA back into parity and alignment with civilian retirees? This bill provides important parity there.

Some say this bill is not perfect. I have never voted on a perfect bill, I do not think. I have never voted on a perfect defense bill. I do not agree with all of the bill's provisions, but overall I think this is a good bill. Concerted efforts were made to address numerous administration concerns. As a result, substantial modifications were made in conference to address these concerns.

In the missile defense area, as I pointed out, the cooperative threat reduction program, the so-called Nunn-Lugar program, we had some reservations about it. We worked hard on that with Senator NUNN and Senator LUGAR. We made agreements. I think all the money was restored, with a certain amount of it fenced, but even that money could be spent in other countries. I think that was the final result. We support this program and we got it worked out.

We made changes but we retained the U.N. command and control restrictions. We had contingency operations funding. I personally do not like that at all. I do not like this contingency operations funding. I do not like giving the Pentagon money and saying, ''by the way, use it because of commitments that had already been made in Haiti or Somalia or wherever they may be''—but giving the money in advance. I think they need to justify all of these continuing operations' funding. We will live up to providing the funds. We always have and we will. But I do not like this funding in advance.

We had acquisition reform provisions. We had improvements in military housing. There is a long list of really good things in this bill.

While the administration may not like all of them, I say again, we made tremendous efforts to work with the administration. I know Senator NUNN helped with that. I know our leader, the chairman of the committee, wanted to work with the administration. In fact, he insisted that we meet with Dr. Perry at breakfast meetings to hear his concerns. I remember Dr. Perry came over and said, ''We do not like the House-passed bill, but we are pretty comfortable with the Senate-passed bill.''

So we worked to try to address his concerns. We met with the Deputy Secretary of Defense, Deputy White. He came in and said—I cannot remember the number—''There are six or seven areas we are really concerned about.'' Look at the bill and you will find in almost every one of those areas we either met their specific requirements, or request, or made substantial movements in that direction. So they have been able to get a lot of modifications.

I think we have a good bill. I urge Members of the Senate to support this conference report. It is good for the men and women in uniform. That should be our principal goal. It improves the readiness of our forces. It begins to correct the modernization problems our military services face and provides policy guidance necessary to operate our defense efforts in a challenging and difficult time.

Did we leave some issues on the table? Yes. But we will be back at work on the next authorization bill in about 6 weeks.

Did we have some areas that we may change our mind on later? Yes. But we have an authorization bill every year. If some language needs to be revisited, we can do that. Let us pass this bill.

Let us do the right thing for our country and for our military men and women.

I yield the floor, Mr. President.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I wish to commend the able Senator from Mississippi for the excellent remarks he has made on this bill.

He is the Republican whip in the Senate and does a great job there. He is also a valuable member of the Armed Services Committee and has made a great contribution to our country by sitting on that committee. Again, I want to thank him for all he has done to promote this bill.

Mr. BRYAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. BRYAN. I thank the Chair.

Mr. President, I rise today to oppose the Department of Defense authorization conference report, and I do so with considerable regret. I, as a member of the committee, voted to support the original authorization bill because I think it did represent a very carefully balanced approach on some of the critical issues which I am going to comment on briefly.

I acknowledge that there are parts of this bill that I think are quite good. The military pay provisions, the acquisition reforms are areas of particular interest to me. In my own State, money is provided for hydronuclear testing, some $30 million. Those and many other provisions I fully support.

But the conference report now before us contains significant changes from the originally approved bill, particularly with respect to providing additional funding for the B–2 bomber, a position which the Senate opposed both in committee and on the floor.

The report contains very dangerous language, in my opinion, with respect to the national missile defense provisions that, if enacted, would violate the U.S. agreement on the Anti-Ballistic Missile Treaty. The report contains a number of troubling ''special arrangements,'' such as a specific ship maintenance contract for a specific shipyard, which in my view would circumvent the competitive bidding process. The report also delineates line by line how the National Guard and Reserve may spend their allocated money for procurement, a position contrary to that taken by the National Guard and Reserve components. Moreover, Mr. President, I regret to say that the conference report does not have the full bipartisan support of the Senate Armed Services Committee. The minority members, the Democrats, were not even minimally notified or consulted with respect to major issues that were changed in the conference report.

Last week, the Democratic conferees were asked to sign the conference report despite the fact that we had not been given the final language on a number of critical issues, most notably the language with respect to the B–2 bomber and the potentially explosive national missile defense language.

I might note with specificity that when my office was notified that the final conference meeting would convene, we were provided about 30 minutes advance notice. I was able to attend, but a good many of my colleagues, not having any prior notice of the conference meeting, were not able to attend. This meeting convened rather late in the afternoon at approximately 6 o'clock, with such late notice many of my colleagues were unable to rearrange their schedules to attend a very important meeting.

So for those reasons, and others, I do not intend to support this conference report today and I would not agree to sign the conference report last week.

It appears that this conference committee has never been terribly serious about conducting bipartisan negotiations. As a matter of fact, the conference committee was disbanded a few weeks after it was convened. Therefore, there could be no meaningful bipartisan discussion of the funding levels, or any of the other outstanding issues in the context of a conference discussion. In point of fact, Mr. President, the conference was disbanded before any real, substantive discussions even began among the conferees.

Due to the early disbanding of the conference, negotiations have taken place primarily between House and Senate Republicans behind closed doors for the past 95 days. Because the conference was officially disbanded, negotiators were not bound to follow the open meeting rule, nor were they required to notify all conferees of negotiation sessions or conference meetings.

I am a relatively new member to the committee, Mr. President. This will be my third authorization bill. But I must say, in my experience it is unprecedented that the committee has operated in this fashion. I am told by my colleagues who have considerably more tenure than I do on the committee that this is without precedent. I must say when I was appointed to this committee in 1993, I was enthusiastic about that appointment, and I continue to be. One aspect that I particularly enjoy—having had the opportunity to serve on, among other committees here in the Senate, the Senate Armed Services Committee—is that it has historically had the reputation, which I found to be the case, that it really was bipartisan. That is not to say that there were not legitimate differences that divided us. There were, and there continue to be. But there was a virtual absence of partisanship as we processed the various policy questions within the jurisdiction of that committee.

I regret to say, and I hope that this is a temporary aberration, if you will, that this is not an auspicious beginning for us if this is the way the Defense authorization conference is going to be conducted in future years.

There are Members on both sides of the political aisle who have served many, many years in the Senate. These individuals have gained considerable expertise in very discrete areas dealing with the funding of our national defense effort, and I think their expertise would have been extremely helpful in the negotiations with our colleagues in the other body.

I note further, Mr. President, that there are major parts of the conference report that were discussed at this meeting which I have described—the one which provided our office with about 30 minutes notice—that were only verbally described to Senators literally minutes before the report was presented to us for signature. With respect to some of these provisions, they are extremely complicated. Language is very important.

Specifically, I note the conference report language change with respect to the national missile defense provision. I must say that engaged colleagues on both sides of the aisle worked on the Senate-passed compromise version of this language. In extraordinarily difficult and, I think, very instructive discussions, the Senate provisions were agreed to overwhelmingly when it was acted upon on the floor of the Senate. Unfortunately, this was not the experience with respect to the conference negotiation.

The resulting conference language, in my view, is deeply flawed. It, indeed, may result in a violation of the ABM Treaty, and it seems to me that we send all the wrong signals to the Russians. In effect, by the deployment schedule specifically established in this bill at 2003, it seems to me, would make the Russians even more reluctant to negotiate any further nuclear arms reductions and give them considerable reason to believe that it is our intent to violate the ABM Treaty itself.

Another of the issues that divided us is the additional funding of the B–2 bomber. It was defeated in the Senate Armed Services Committee this year, in a bipartisan vote, and not included in the Defense authorization bill which was passed in this Chamber. I find it particularly troubling that the provision itself that would increase funding to the B–2 bomber was not available at the time the conference report was presented to us and we were asked to approve. Again, this is one of the most difficult issues that the committee had to deal with, and I would submit that this is not the way in which we ought to be conducting conference negotiations.

Moreover, this conference report imposes new restrictions on the President's ability to obtain contingency funding for military operations. This is in direct contravention of the President's constitutional role as our Commander in Chief. The report contains directed procurement of specific ships at specific shipyards without a clear

requirement, undermining, in my opinion, the efficiency and cost-saving objectives which are of critical importance as we face very, very difficult budgets in the outyears.

The conference report contains spending floors with respect to shipbuilding provisions. These are requirements to spend specified amounts on specified projects. Again, in the real world in which we live, where the budgets are going to be tighter next year and each of the outyears thereafter, I find this provision unfathomable.

The conference report will create a special congressional panel on submarines. I must say that my colleagues on the other side of the aisle have made a number of very constructive comments over the years when they talk about streamlining Government and reducing the number of committees. Adding another committee, it seems to me, is duplicative and creates unnecessary additional staff involvement and the possibility of additional funding that is just not warranted. The existing panel, in which submarines are included in the jurisdictional portfolio, does a proper job in my judgment and a new panel just for submarines is redundant, unnecessary and unwise.

The conference report designates every single line of the National Guard and Reserve procurement funds, rather than providing generic categories of funds. This, Mr. President, is contrary to requests made by the National Guard and Reserve.

The conference report dictates to the Department of Defense what their procurement priorities ought to be. It allows them to spend the money on nothing but those items deemed appropriate by the House and Senate. I recall in a different context a lot of criticism about Congress micromanaging the Pentagon. Let me suggest that I believe this is a case in which micromanagement has become the operative order of the day.

I mentioned previously Pacer Coin, a program of particular interest in my State. The Nevada Air National Guard would receive two of those planes. The conference report contains language on the Air National Guard's Pacer Coin mission that is patently false. The report reads, and I quote, ''The conferees understand that the National Guard Bureau has requested that the Air Force terminate the Pacer Coin program.''

This statement is not true. As a matter of fact, I have a letter dated December 8, 1995, from Maj. Gen. Donald Shepperd, Director of the Air National Guard. His letter states in part, ''The Air National Guard always has supported Pacer Coin and will continue to support the mission.'' General Shepperd's letter then goes on to say, ''It is our understanding that the Pacer Coin mission is a priority of the Commander in Chief, U.S. Southern Command.''

Mr. President, I ask unanimous consent that the full text of General Shepperd's letter of December 8, 1995, be printed in the RECORD.

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

DEPARTMENTS OF THE ARMY AND THE AIR FORCE; NATIONAL GUARD BUREAU,
Washington, DC, December 8, 1995.

Senator RICHARD BRYAN,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR BRYAN: Thank you for your December 6, 1995 letter concerning the continuation of the Pacer Coin mission. I assure you that the Air National Guard always has supported Pacer Coin and will continue to support the mission as long as there is a military requirement and the necessary resources.

Regarding the military requirement, it is our understanding that the Pacer Coin mission is a priority of the Commander-in-Chief, U.S. Southern Command. In terms of necessary resources, the program transferred to the Air National Guard underfunded in fiscal years 96, 97, and 98. This shortfall spurred budgetary exercises that may have been misconstrued as a lack of support for the Pacer Coin program. My staff is searching for alternatives to fund the shortfall for FY 96.

Again, let me reiterate my support of the Pacer Coin mission and assure you that the Air National Guard will support this mission as long as there is a military requirement and proper funding.

Please don't hesitate to call if I can be of further assistance.

DONALD W. SHEPPERD,
Major General, USAF,
Director, Air National Guard.

Mr. BRYAN. I thank the Chair. I also have a letter from Gen. Barry McCaffrey, commander in chief of U.S. Southern Command dated June 2, 1995. His letter states, ''U.S. Southern Command supports retention of the Pacer Coin reconnaissance program in the Air National Guard and periodic deployments of the system in this theater.''

And again, Mr. President, I ask unanimous consent that the full text of General McCaffrey's letter dated June 26, 1995, be printed in the RECORD.

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

DEPARTMENT OF DEFENSE, U.S. SOUTHERN COMMAND, OFFICE OF THE COMMANDER IN CHIEF,
Washington, DC, June 26, 1995.

Hon. RICHARD H. BRYAN,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR BRYAN: Appreciate your concern over the potential termination of the U.S. Air Force Pacer Coin reconnaissance program and welcome the opportunity to share the U.S. Southern Command's views on the value of this important asset.

The U.S. Southern Command and its ground, air, and naval component forces rely heavily upon releasable, high quality imagery. This requirement for extensive imagery is to support operational planning, exercise deployments, humanitarian assistance and disaster relief operations. We also provide comprehensive imagery support to U.S. Country Teams and host nations throughout the region that are involved in counterdrug operations.

As you know, however, fiscal constraints and force structure reductions drove the transition of the Pacer Coin program from the active force structure to the Air National Guard. As a consequence, we have asked for periodic Air National Guard deployments of Pacer Coin to satisfy the continuing requirement for timely, high quality, broad area imagery that we can release to our host nation allies in the region. The U.S. Southern Command supports retention of the Pacer Coin reconnaissance program in the Air National Guard and periodic deployments of the system to this theater.

Best wishes,

BARRY R. MCCAFFREY,
General, U.S. Army,
Commander in Chief.

Mr. BRYAN. I thank the Chair.

I must say it has been difficult for me to understand, with two commanding generals who have in one instance a National Guard command authority and in the other instance an operational command of the Southern Command both expressing support for the program, how the conference report could question the viability of this program and conclude that this is a program that is not supported.

I guess by way of general conclusion, Mr. President, I regret to say that this conference has not been conducted in its historical bipartisan manner. Democrats were cut out from any meaningful participation in the conference itself. And I must say the Secretary of Defense has indicated that he will recommend a veto of this conference report to the President. The National Security Council and the Pentagon find the national defense missile language in this report to be wholly unacceptable and quite dangerous.

Finally, the President himself has sent a message to Congress saying that he will veto this bill in its present form. For these and the other reasons that I have referenced in my comments, I urge my colleagues to vote against the report.

Mr. President, I yield the floor and in the absence of any other colleague in the Chamber 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. COATS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. COATS. May I inquire how much time is remaining on our side?

The PRESIDING OFFICER. There are 28 minutes 30 seconds remaining.

Mr. COATS. Mr. President, I yield myself such time as I may consume.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. COATS. Mr. President, first, I want to begin by commending the chairman of the Senate Armed Services Committee, Senator THURMOND, for the work that he has done this year in leading the effort in putting this defense authorization conference report together.

It has been a tough year, as we all know. It has been a long and difficult

year with many, many complex and difficult questions. Senator THURMOND has provided extraordinary leadership in bringing us to this point. I want to commend him for his efforts in that regard.

At the same time, I want to express my disappointment that, apparently, this conference report is going to be virtually unanimously opposed by our colleagues from across the aisle. I regret that, because we have always, at least in my tenure, moved forward on defense bills in a bipartisan fashion. It appears now that we will not be doing that this year. I think that is disappointing.

Nevertheless, I hope that our colleagues will see fit to support this legislation in such a manner that it can pass the Senate, be sent to the President and then he will, obviously, have to make a choice as to whether or not he wants to accept the bill or veto the bill.

We heard a lot of Members state reasons why they will not vote for the bill on the basis of what is included in the bill. What we have not heard is information relative to what is now in the bill that will be lost if it is not passed.

Anybody can look at a bill this massive, covering this amount of spending, and find reasons why they do not like a particular part of the bill. I have never voted for a bill where I have agreed 100 percent from beginning to end with every provision in that bill. This is the art of political compromise that tries to balance the opinions of one House versus the other, the opinions of one party versus the other, the interests of particular Senators in putting more emphasis on one portion of the bill than the other. In the end, you put a package together. You trust the major thrust of that package is in the direction that you want to go.

So to raise specific concerns about specific items in this bill as a basis for rejecting the whole bill, I think, is something that if we practice it on every bill that came forward, nothing would pass in this body.

But as I said, Members have stated that there are items in the bill that they do not like and, therefore, they will not vote for the bill. I would like to list, as chairman of the Personnel Subcommittee, what will be lost if this bill is not passed. I think Members ought to consider some of this before they make a final determination on how they will vote.

Do Senators understand that the full pay raise, which is only 2.4 percent, but the full pay raise to our troops in uniform, including those on the way to Bosnia and those deployed in areas around the world, will not be granted if this bill is not passed? The authorization for the full pay raise is included in this legislation and that will not go forward unless this bill is passed.

Reserve mobilization insurance will not be established. Several bonus authorities for enlistment and reenlistment will not be authorized. At a time when we have a shrinking defense force and we are trying to find the top quality people, the bonuses for enlistment and reenlistment that are incentives to attract the kind of people we need will not be available.

A whole series of quality of life initiatives will be lost. We keep talking about our No. 1 priority for our troops is quality of life. We need to provide them with the best training and the best equipment and the best leadership, but we also need to provide them with a quality of life that will allow they and their families to make a career commitment to service in our military. A whole series of initiatives on quality of life will be lost.

Let me just mention some of them. There will be no increased quarters allowance to close the gap of housing cost increases. This quarters allowance equals 5.2 percent in the bill. Without it, it will be 2 percent. That means when a soldier and his or her family are stationed in particular areas of the country and sufficient base housing is not available for them, as is the case in most instances, they have to go out into the local market. When they go out into the local market, the allowance that they are given for their quarters does not begin to cover the cost of housing in that particular area. We give quarters allowance to cover that, but it has not kept pace with the increase in housing costs, and so soldiers and sailors and airmen and marines and their families will be put at a continued even greater disadvantage than they have been in the past.

There will be no authority to pay quarters allowance for NCO's on ships or NCO's who currently live in inadequate quarters. These are people who are key to the successful functioning of our military, and they will not receive quarters allowance unless this bill is passed.

There will be no authority to pay family separation allowances to certain single soldiers.

There will be no authority to pay enlisted airmen hazardous duty incentive.

There will be no authority to pay special duty pay to personnel assigned to tenders.

There will be no authority to pay increased special duty pay to recruiters.

There will be no authority to pay dislocation allowances to those forced to move as a result of the BRAC process.

There will be no more automatic increase of servicemen's life insurance. At a time when we are deploying troops to Bosnia to undertake the risks that will be involved in this, there will be no automatic life insurance increase. That was included in our bill.

There will be no COLA equity for military retirees, and I will discuss that in a moment.

There are a number of service academy issues that will not be addressed.

Two Navy P–3 squadrons will not be authorized.

There will be no floor on military technicians, a critical request made by the service chiefs and others as they came before our committee. As the equipment becomes more sophisticated, we need people who have more technological capability to repair and deal with this equipment, and this is a very important part of the authorization bill authority, and that will not be provided.

Dental/medical benefits, CHAMPUS benefits for certain members of the total force will not be included. These, just from the Personnel Subcommittee, are items that we will not have if this bill is defeated or if the President vetoes it.

Let me discuss one other. There is a whole series of initiatives to provide new authorities for the provision of new housing, repaired housing, restored housing for our military personnel.

Why is this important? Because over the last 30 years, while we have made some remarkable strides in providing our troops with training and equipment, we have ignored their living quarters, the repair, maintenance, and the construction of new quarters. Currently, on the military's own estimate on the basis of their own standards—and I suggest their standards are not the standards that are found generally in housing construction throughout this country; they are lower standards. Even by their standards, many of the housing units, most of which are over 30 years old, are in a state of disrepair. In fact, by Department of Defense standards, over 80 percent of the existing military housing is inadequate. Let me repeat that. Over 80 percent of the housing that we ask our military families and ask our single military personnel to live in is inadequate. It is substandard and it needs repair, maintenance, and some of it needs to be torn down. A lot of new units need to be built.

Under the current rate of funding for this repair, maintenance, and construction, it will take 30 years to remedy the problem. Of course, in 30 years, the problem that is remedied this year and in succeeding years will then be inadequate. So we are getting nowhere. Under the direction of the Secretary of Defense, Bill Perry, under the very able leadership of former Secretary of the Army, John Marsh, and an internal as well as external task force, a year's worth of effort has culminated in a plan to very substantially upgrade military housing on an accelerated basis. Because we are faced with a budget crunch that does not provide the immediate funds, new housing authorities are requested by the department, so that we can use methods that are used by the civilian housing authorities, which exist in virtually every one of our States, to leverage funds to begin to dramatically accelerate the rehabilitation and construction of new quarters for our personnel.

We are asking individuals to commit a career, a lifetime, to the service, and that means that we are moving from

single enlisted people that formerly were brought into the service by the draft, as I entered, and now, instead of a 2, 3, or 4-year commitment, people are making a lifetime commitment. Most of those people are bringing their families with them—their spouses and children. For this country to ask individuals to put on the uniform and provide for our defense and not provide for adequate housing, I believe, is a disgrace. It is a disgrace to ask these people to live in the housing and the quarters that they currently live in.

I have personally visited the family quarters and the bachelor quarters on a number of bases throughout this country and some overseas. I would not put my family in some of these living situations, and either would anybody else in this Senate. I would not begin to ask my family to live under some of the conditions that our service personnel live in, without complaint. The least we can do for these people who make this commitment to provide for our security and our freedom is give them adequate living quarters. Roofs are caving in, ceilings are caving in, water is running down the walls, broken plumbing, exterior windows cracked, cold air rushing through. You do not need air conditioning if you live in a cold climate because it comes right through the windows and the walls.

I think one of the things that I will regret the most if this bill fails, either in the Senate vote or if it is vetoed by the President, is the loss of authority to do what Secretary Perry has asked us to provide—to accelerate the reconstruction and the maintenance and repairs of some of our housing that we provide for our military personnel. That is what we lose just from the personnel section of this bill. I do not have the time to go into other sections.

There have been a number of allegations made here about some of the additional problems that exist. I would like to address one of those points, because it seems to be a major sticking point for several Members—that is, the statutory authority that exists providing for the Director of Operational Test and Evaluation. What Members need to understand is that the conference report does not abolish this office. This is an important office, as is the Office for Special Operations and Low Intensity Conflict. But what the committee is attempting to address is a situation where the Department wants the flexibility to review the way it is organized, to make determinations as to how it wants to be structured and then report to us as a committee by March 1 of 1996. The repeal of the statutory authority, first of all, does not even take place until January 1, 1997. It is not prejudicial because we are asking the Secretary of Defense to report to us by March 1 of next year his recommendations as to how the Department can be reorganized so it can operate in the most efficient manner. They are feeling the budget squeeze. They know they need to make decisions relative to how they can better organize to achieve savings.

All we are doing is repealing the requirement for specific positions on a statutory basis. It does not mean the position will be eliminated. We then, as a committee, will have the opportunity to review the report, question the Secretary, and look at and evaluate their reorganization plan, and we can decide that we want to retain these statutory provisions.

There is no doubt that the Director of Operational Test and Evaluation is an important position. Senator NUNN, on this floor, very accurately described the nature of the position and the independence of the incumbent director. I fully expect that Secretary Perry will ask that this position be retained. The key factor is that he will make that recommendation on the merits, not because he was encumbered by a statutory protection. That is the goal of this legislation. Meritorious recommendations by the Secretary of Defense, not abolition of one position or another.

The legislation is intentionally crafted to permit any repeal to be vitiated before it is implemented, if that is the appropriate outcome. There has been a lot of misinformation about this part of the bill, and if Senators will take the time to review the actual language and understand the intent, I am confident that they will see this as a workable solution. So I urge my colleagues who may be thinking of voting against the bill, on this provision alone, to look at the conference report and understand what it is we are attempting to do.

Now, Mr. President, second, I want to take some remaining time here and just put this Defense authorization debate in the broader context of the budget debate, because it has been said on this floor on numerous occasions by numerous Members that if we were really serious about reducing the deficit, we would reduce defense spending. We would take this defense bill, which they say is sacrosanct from spending, and we would begin to take savings out of Defense. I do not know where those Members have been for the last 10 years. But as Senator NUNN said on this floor just about a year ago, ''Those who claim that Defense has not been substantially reduced since the end of the cold war are flat out wrong. The Defense Department, in the past few years, has carried more than its fair share of sacrifice for lowering the deficit. Indeed, the Defense Department seems to be the only part of the Federal Government that has carried its fair share.'' Let me repeat that one statement again. ''Those who claim that Defense has not been substantially reduced since the end of the cold war are flat out wrong.'' They ignore the facts.

To say defense is the area that needs to be reduced so that we could prove our commitment to deficit reduction ignores reality. The fiscal year 1996 budget request for defense is at the 1975 spending level in constant dollars. The 1997 level is at the 1955 level. Since 1985, we have reduced defense procurement 71 percent. Research, development, testing, and evaluation funds have been reduced 57 percent. By 1999, defense spending as a share of the gross national product will have declined to 2.8 percent, the lowest since before World War II.

We are now entering the 11th straight year of declining defense budgets. We have cut active duty personnel by 32 percent. That is the lowest level in 60 years. The Army will have 45 percent fewer divisions, the Navy 37 percent fewer battle force ships, and the Air Force 40 percent fewer attack and fighter aircraft.

Now, defense spending, which has decreased—just in the 10-year decade, the decade of the 1990's, defense spending will decrease 35 percent. What are we doing with the rest of the budget? Domestic discretionary spending, during that same time period, increases 12 percent; welfare and mandatory spending will increase by 38 percent. Those that say defense has not done its share are ignoring the facts.

If some of these other nondefense areas of the budget had done one-tenth of what defense has done, we would not be debating the need for a balanced budget. We would have achieved a balanced budget. Name me one program in the Federal Government, outside of defense, that has even begun to reach the decrease in spending that defense has. Name me one program that has been reduced at all.

The challenge is not to further reduce defense. The challenge is to look at the other programs that are driving our costs out of sight, that are squeezing our ability to provide for an adequate defense.

At the same time that defense spending is reducing dramatically and the number of personnel are reducing dramatically, the requirements for deployments are increasing. We have shrunk our forces in Europe from 314,000 prior to the fall of the Berlin Wall. That number is now rapidly approaching 100,000. Yet those remaining forces have been deployed in more missions in the last 5 years than in the previous 45 years combined. The average soldier now spends approximately 138 days each year away from home on extended short-notice deployments. This is combined with extensive training, away from home, in order to maintain the critical skills necessary. That is a tremendous strain on those personnel and particularly on their families.

Our Navy surface ships are away from home at tempos in excess of 130 days per year—that is away from home. That does not count the short-term deployments to prepare them for the longer term deployment.

The Marines currently have 24,000 people—pre-Bosnia—24,000 people deployed overseas carrying out a whole

number of 911 fast-reaction assignments. The Air Force has had a fourfold increase in the deployment obligations over the last 7 years, while drawing down its overall end strength by a third.

So we have troops deployed all over the world on all kinds of missions and yet we have fewer number of personnel to allocate to these deployments. What does that mean? Longer deployments, longer time away from home, more strain and stress on the force.

We have a serious gap that is opening between our military mission and the level of funding we provide. The Armed Services Committee this year, under the very able leadership of our chairman, has done the very best that we can to take this limited budget and stretch it in a way that begins to meet the needs of our Armed Forces.

To those who say, ''We have added $6.7 billion and the Pentagon didn't request it.'' If the Pentagon were calling the shots their budget requests would have been a lot higher than they were. They are not. They get a number from the President. The President's Office of Management and Budget says, ''Here is your number, now make it work.'' These people are trained to salute and say, ''Yes, sir.'' Ask any one of them, as we have in our hearings, do you need more, could you use more, would you like to have more? Their answers were ''Yes, we would.''

There are a number of things we would like to deal with but we recognize we are constrained by this budget and therefore we have done the best we could. We are on the razor's edge of readiness. We are worried about procurement in the future. We are not updating our equipment. We are sacrificing quality of life, but we have to live within this budget number. We will do the best that we can. They do a terrific job. To say they do not want the additional resources, that this extra money that Republicans have provided, $6.7 billion, is wasted money is simply not the case.

You can argue over how that ought to be allocated. It is not allocated 100 percent the way I would like to allocate. The defense budget has been declining now for 11 straight years. It is certainly not some Government program run amok without control, as so many others have.

Mr. President, balancing our books is one of the most important duties of Government, but it is not the first duty of Government. The first duty of Government is the defense of this country, without needless risk to the men and women who serve. That means more than defending our borders. It means shaping a security environment that will be favorable to America in the future. It means providing our troops with the training they need, the equipment they require, the kind of leadership that provides for success, and the quality of life that gives them a stake in the future of this country, that provides for their families while they are away on deployment.

We are asking fewer people to do more with less. As I speak, we are deploying 20,000 troops, and many more thousands of support troops, in this effort to Bosnia. They are fighting terrible weather, as we can see every day on CNN. They are fighting some of the world's worst terrain. They are engaging in a mission that many of us still are trying to figure out what the mission is. It is a mission that is fraught with risk.

We are asking and have asked and will continue to ask a great deal of the men and women who wear the uniform of this country. The very least we can do with this type of budget constraint is to provide them with the best that we can. To reject this bill now, I believe, sends an absolutely wrong signal.

We talked about sending signals on the floor last week. What kind of signal do we send, with all the authorities, the quality of life initiatives, and other items in this bill. What kind of signal do we send to the troops right now trying to fight fog, the weather, the snow, and the landings on a runway they cannot see, in a mountainous area of Bosnia? Deploying into terrible weather and terrible terrain on a mission they are not sure exactly what it is. What kind of signal do we send, that the Senate rejects the bill that takes care of their families while they are gone? The Senate rejects the bill that provides the authorities we need to have a successful military effort? That is a terrible signal to send.

If Members want to talk about sending a signal; walk down here now and vote. Just because there is a piece of the bill that you do not like or because this is now partisan politics and we did not get in enough of the discussions about what the final bill should look like. Therefor in a fit of pique you register your displeasure with it, I think that is a terrible mistake. It is a terrible time for our troops, as we approach Christmas, as our troops are leaving their families and going into a very uncertain, risky situation in the world's worst terrain and climate—to now reject this bill would be a huge mistake.

I urge my colleagues who may be having reservations, ask us what the facts are, look at what is in the bill, let us work with you to resolve differences next year, but do not tell our troops that we are not going to give them these authorities and we will not provide for their future as included in this bill.

I yield the floor.

Mr. THURMOND. Mr. President, I want to commend the able Senator from Indiana for the excellent remarks he has made on this bill. He is a valuable member of our Armed Services Committee and made a fine contribution throughout this year to the work of that committee. We appreciate it very much, Senator, all that you do for your country.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, parliamentary inquiry. Am I not correct that the Senate is due to stand in recess now until the hour of 2:15?

The PRESIDING OFFICER. The Senator is correct.

Mr. WARNER. Mr. President, I ask unanimous consent that I might proceed for 7 minutes.

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

Mr. WARNER. Mr. President, I wish to join the distinguished chairman of the Armed Services Committee in recognizing the valuable contributions consistently made by the Senator from Indiana and his very stirring and moving remarks of a few minutes ago. He is recognized on our committee as an expert in the area of personnel, and I am pleased to hear that, as he addressed our colleagues this morning, he made specific reference to the families of the men and women of the Armed Forces and of course his reference to those now being deployed to Bosnia.

As the Senator well knows, there are some 100 ships on the high seas, all over the world today, and men and women of the Armed Forces stationed in many other countries. So this message not only relates to those that, perhaps, are foremost in our minds on the Bosnia deployment, but, indeed, to men and women on the high seas and in various posts in farflung parts of the world. I compliment my good friend for his remarks.

Mr. President, it has been my great privilege to serve these 17 years on the Senate Armed Services Committee, and I share the concerns of so many that, as we approach the vote on this bill, there remains in the minds of some, doubts about whether or not this bill meets their individual expectations.

I have had those same doubts through these 16 previous years about other defense conference reports and, indeed, the bill itself, as it has left the Armed Services Committee. But each time, I have found a means by which to reconcile my differences and to join the other side of the aisle in support of the bill. This year, under the very able leadership of the distinguished senior Senator from South Carolina, a man who has a career associated with the armed services unparalleled in length to any Member of this Chamber, having joined the Armed Forces in the early stages of World War II, at the time when he was not even subject to the draft—he went out and volunteered. He resigned as a judge, and was proud to wear the uniform of his country, and he did so with great distinction, being the only Member of the U.S. Senate to have participated in the historic Normandy invasion in June 1944.

So, I pay great respect to my chairman. Beginning in the early stages of World War II, he started his preparations to serve in this Chamber and serve as a true representative for the men and women of the Armed Forces. Shortly we will be voting on this conference report, which will be the first

bill of the Senate Armed Services Committee which proudly bears his name as chairman.

Let me address two specifics. I was concerned about references to the submarine panel. This was not an idea that originated in the Senate. Together with Senator LIEBERMAN, Senator ROBB, and Senator COHEN, I worked on the provisions relating to submarines in this bill and we recognize there was no need for this panel. But the House did. The House even wanted stronger measures.

Negotiations related to submarines were perhaps one of the most difficult part of the negotiations with the House of Representatives and the Senate. Out of it came the concept to have a panel to consist of three members from each committee, appointed by their respective chairmen on a bipartisan basis and reporting back to their respective committees. I, therefore, do not believe there is any invasion of the authority of the two committees on the armed services in the two bodies. In fact, I view some positive aspects in this concept. Because, as one looks at the former Soviet Union today, and most particularly Russia, that is where a disproportionate amount of their annual investment in national security goes—right into research and development and production of first-line submarines, submarines that challenge our finest submarines in the seven seas of the world today.

So I think every bit of intellect, every bit of wisdom that we can incorporate on behalf of our Nation into future submarine production is time and effort well spent. That, I think, will be a positive contribution. I hope I will be considered to be a part of this special panel on submarines, since in my State we are proud to have a shipyard which for many years has built some of the finest submarines, not only for our Navy, but anywhere in the world.

Then, Mr. President, turning to a second item, the Guard and Reserve, this has been a debate through the years. The Senator from Michigan tried, I think, to convince our committee—subsequently tried to convince the floor—of his desire to have a different approach to the Guard and Reserve. He is a very valued member of our committee. He understands the subject of the Guard and Reserve. And, like so many of us, we express our best judgment and seek to try to be convincing among our colleagues. He did that on two occasions and the majority of the Senate in the committee and on the floor decided on a different means to address the Guard and Reserve. So the battle was fought. The battle was decided. We go on with our business.

Of course, he has a perfect right to come and express such disappointment as may remain on this subject. But nevertheless, we have a solid provision in this bill for the Guard and Reserve and it reflects the majority views of the Armed Services Committee as well as the Senate as a whole.

These are just two examples of where there are differences between Members on the other side of the aisle and Members on this side, but I plead with my colleagues to think, in the spirit of reconciliation, as we do so frequently in this Chamber, and particularly as it relates to the men and women of the Armed Forces and sending that message. When, from the Chair, that vote is announced, we want to send a positive message all across the world and on the high seas. I urge my colleagues to support this conference report.

I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I commend the able Senator from Virginia for the excellent remarks he has made on this bill. The Senator from Virginia was once Secretary of the Navy. He served in the Marines. He is a valuable member of the Armed Services Committee. He has rendered long service here and with great distinction to country and I want to commend him.

Mr. WARNER. Mr. President, I thank my distinguished senior colleague. My career both in the Senate and, indeed, in the uniform of the United States, falls far short of that of the senior Senator from South Carolina.

RECESS

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 having arrived, the Senate will now stand in recess until the hour of 2:15 p.m.

Thereupon, at 12:38 p.m., the Senate recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. GRAMS).

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I believe 15 minutes of time has been allotted to the Senator from Nebraska under the unanimous-consent request. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. EXON. I will take that time at this moment.

Mr. President, if the average American was to read the 1996 Defense Authorization Act conference report now before the Senate, he or she might believe that there was a mistake in the printing of the bill's title. The content of the conference agreement, the rhetoric in the report, and the pork add-ons contained in the legislation are more in keeping with the cold war environment of 1986, not the post-cold-war world of 1996.

I voted against the Senate version of the authorization bill earlier this year based on my belief that the $7 billion increase in spending authority contained in the bill was extravagant and that the bill's spending priorities and legislative restrictions were harmful, yes harmful, to our national security interests. I am dismayed to report that the conference report is even more objectionable on these counts than the Senate-passed version. As a result, I will vote against the National Defense authorization conference report for the first time in my 17 years as a U.S. Senator, a decision I do not come to lightly.

With very little participation solicited from the minority, the majority in the Senate and House have finally reached an agreement on a bill that will be greeted with cheers from the multibillion-dollar defense corporations in America. At a time when much of the Federal Government has run out of money and is shut down, at a time when the Congress is cutting domestic programs to the bone and the majority party is trying to push through an unwise $245 billion tax cut, we are considering a bill that adds $7.1 billion to the defense budget that the President did not ask for and our military leaders do not want.

This bill writes checks for unneeded weapons systems that will have defense corporations popping champagne corks around the country. Christmas has indeed come early for these multibillion-dollar corporations, and their gifts are beyond their wildest hopes. I implore every American that is asked to do with less this coming year due to the Republican budget-cutting ax to keep in mind the following glittering, gilded ornaments hung with care by the majority on the defense corporate tree:

$700 million in unrequested funds for an accelerated star wars program, a mere down payment on a system which has already cost the American taxpayers $35 billion and will likely cost another $48 billion to build;

$493 million in unrequested funds to restart the B–2 bomber program beyond the 20 planes already bought, again a mere down payment on a $30 billion procurement plan;

$23 million in unrequested funds for 4 additional medium range army aircraft;

$76 million in unrequested funds for Longbow helicopter modifications;

$140 million in unrequested funds for Kiowa helicopter modifications;

$32 million in unrequested funds for ground support avionics;

$37 million in unrequested funds to buy 750 additional Hellfire missiles;

$36 million in unrequested funds to buy 450 additional Javelin missiles;

$43 million in unrequested funds to buy 1,500 additional MLRS missiles;

$50 million in unrequested funds to buy MLRS launchers;

$18 million in unrequested funds to buy 29 additional Army tactical missiles;