weighted in China's direction. China has a huge $34 billion trade surplus with the United States. We can ask organizations like the World Bank, which in 1994 made a $925 million, interest-free loan to China through the International Development Association, to act with greater prudence toward China. IDA loans generally go to poor nations; the average recipient country's per capita income is $382 a year. China's average of $530 is well above that, and China has foreign reserves of approximately $70 billion. When China's bellicosity toward Taiwan is combined with human rights abuses, the picture painted is not good. Our relationship should be correct but not condescending or cowering. When China sells nuclear weapons technology to Pakistan our response should be clear, not quavering. Tough nonmilitary means of sending a message to China's leadership may need to be used.

If China's leaders will lighten up a bit, and see their present foreign policy orientation as self-defeating, there is no reason China and the United States cannot have a good, healthy, and fruitful relationship that will help the people of both of our countries. If China reaches out with a friendly hand toward Taiwan, rather than with a fist, China will make gains economically and politically.

In the meantime, we should welcome visits by Taiwan's leaders to the United States and by our leaders to that Government. We should stop playing games, and stop treating Taiwan as if it is a relative with a social disease. Because of past policy errors on our part, formal recognition in the immediate future is not advisable, at least until the Chinese leadership situation is sealed. But we should encourage Taiwanese participation in international organizations, and do whatever else we might do to encourage a friendly Government that is both a healthy trading partner and democracy.

And when areas of uncertainty arise, as they inevitably will, the United States should remember our ideals, and do what we can to further the cause of human rights and democracy, not as a nation that has achieved perfection—we obviously have not—but as a country that wants to give opportunity to people everywhere to select their governments. When we stray from our ideals, everyone loses.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

UNANIMOUS-CONSENT REQUEST—S. 942

Mr. BOND. I thank the Chair. Mr. President, as I said earlier today, we are trying to move to Calendar No. 342, S. 942, the small business regulatory reform bill. I understand, if I ask unanimous consent to move to consideration of the bill at this moment, there will be an objection; so I ask.

Mr. SIMON. Yes. Mr. President, in behalf of Senator DASCHLE, for reasons he has outlined earlier, I will object.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I have heard some concern expressed that this measure may become a broad measure and involve many other items, such as controversial items that are included in the major regulatory reform bill, S. 343, which I personally hope is moving toward resolution.

There are a significant number of Members on both sides moving forward on that, but in order to assure my colleagues that we want to keep the focus on small business, we have a consent decree which would, I think, narrow it.

I want to read this consent request carefully so that other Members can listen to it, so they can think about it and see whether this would be the format under which we could bring the bill up.

Mr. President, I ask unanimous consent that on Tuesday, March 12, at 11 a.m., the Senate proceed to the consideration of Calendar No. 342, S. 942, the small business regulatory reform bill, and it be considered under the following limitation:

Ninety minutes of total debate, equally divided between the two managers; that the only amendments in order to the bill be the following:

A managers' amendment to be offered by Senators BOND and BUMPERS; an amendment to be offered by Senator NICKLES regarding congressional review; and one additional amendment, if agreed to by both leaders, after consultation with the two managers.

Further, that following the expiration or yielding back of all time, any pending amendments and the bill be temporarily set aside; further, that immediately following any ordered cloture votes on Tuesday, March 12, the Senate resume consideration of the bill, the Senate immediately vote on any pending amendments to the bill; and, further, following disposition of all pending amendments, the bill be read a third time, the Senate proceed to a vote on final passage, all without any intervening debate or action.

Mr. SIMON. Mr. President, as the Senator from Missouri knows, I happen to be on the floor. I do not know the details of all this. I object on behalf of Senator DASCHLE to what appears to be a reasonable request. I think he should take it up with Senator DASCHLE.

The PRESIDING OFFICER. Objection is heard.

Mr. BOND. Mr. President, I thank the Chair, and I appreciate the position of my colleague and neighbor from Illinois. I realize there is objection on the other side.

Let me suggest what the framework of the debate itself is. We will continue to discuss additional items to be brought up. I discussed with my ranking member, Senator BUMPERS, the objectives of keeping this bill narrow. I believe we are in agreement. Whenever we can get the agreement of the minority to proceed, I will propose that we enter into an agreement on this basis so that we keep the amendments limited, and so that we can come to closure on this very important matter.

Mr. President, since my good friend and neighbor from Arkansas is here, let us lay out some of the reasons that this bill is important. I have talked briefly about it before.

Last June, almost 2,000 delegates to the White House Conference on Small Business came to Washington to give their best advice and counsel to the President and Congress. They voted on an agenda of the top concerns of small business. The Washington conference came after a year-long grassroots effort, where over 20,000 small business people sifted through more than 3,000 policy recommendations, some 59 conferences at the State level, and six regional hearings.

Over 400 of the most important policy recommendations were voted on by delegates to the White House conference. The top 60 recommendations were published by the conference last September as a report to the President and Congress, entitled ''Foundation for a New Century.'' Not surprising, this gathering echoed the findings that we in the Small Business Committee have heard as we have held hearings in Washington and around the country. Three of the top findings of the White House Small Business Conference were calling for reforms in the way that Government regulations are developed, the way they are enforced, and reforming Government paperwork requirements.

The common theme of all three recommendations is the need to change the culture of Government agencies, the need to provide an ear—a responsive ear—and a responsive attitude toward the small business and small entities that are the backbone of this country, the dynamic engine driving the growth of this economy.

The Vice President said to the conference delegates last year, ''Government regulators need to stop treating small business as potential suspects and start treating small business like a partner sharing in a common goal.'' The Vice President also noted that this change in the culture of Government may take years of effort to accomplish. Mr. President, I would say, parenthetically, that if we cannot even bring the bill up, it is going to take more than years.

I am extremely disappointed that we cannot even get an agreement to bring the bill up next week. We have here before us a measure that is designed to

deal with one particular area of great importance to small businesses all across the country.

One of the measures included in this bill is the Small Business Advocacy Act, recommended by Senator DOMENICI, filed in the form of S. 917, which focused on the early involvement by small business in the development of new regulations. The bill was referred to the Small Business Committee, as was S. 942, the Small Business Regulatory Fairness Act, which I introduced. We have been working to combine elements of both bills in legislation that already had been considered on the Senate floor, which was the measure to provide judicial review and enforcement of the Regulatory Flexibility Act, which says, quite simply, that Federal agencies have to take into consideration the impact on small business of the regulations they issue.

We had hearings before the Small Business Committee which confirm the importance of having this kind of reform. The SBA chief counsel for advocacy released a report that said that small businesses bear a disproportionate share of the regulatory burden. When you take a look at regulations as they affect large businesses and as they affect the smaller businesses with up to 50 employees, the cost for a small business is some 50 to 80 percent more per employee. Small business is put at a disadvantage not only in making a profit, but in competing with a larger business.

Throughout our efforts in the Small Business Committee, I am proud to say that we have worked very closely and had the greatest cooperation from my ranking member, Senator BUMPERS of Arkansas, and his staff. We have had great input from members of the committee, who have taken a very active role in holding hearings in their States and coming back with recommendations to give to us on how we can flesh out this bill and make it work better for small businesses in our States and across the country.

This bill, S. 942, came out of the committee without any opposition, and the more people have talked about it, the more offers we have had to cosponsor it. I think the bill delivers on the legitimate regulatory concerns of small business, as well as the major recommendations of the White House Conference on Small Business, and it really does do something to address the disproportionately heavy impact that these regulations have on small business and on the paperwork burdens of small business.

This legislation is narrowly focused on small business. It does not go into the big debates over more expansive and, I think, needed broader regulatory reform. These efforts need to go forward, but I think we have something we can deliver here now, today, and, if not today, for Heaven's sake, let us deliver it next week so small business in America can begin to see that somebody is listening.

If there is one plaintive comment I have heard, both in my State of Missouri, at other hearings, and at the hearings up here, it is small business asking: ''Is anybody listening? Does anybody really care what the burdens the Federal Government places on small business are doing to the small businesses?'' I think it is time we answered the question, and I think it is time we answered, ''Yes, we are willing to listen and do something about it.'' I do not think that we can abandon these efforts.

We need to move forward with regulatory relief this year. I think, as I said in my remarks earlier today, judicial review of reg flex, the 1980 provision that said regulatory agencies are supposed to consider small business, that has to be implemented, and there has to be teeth put in it. They have not done so. Regulatory agencies have routinely ignored the impact on small business. We need to give them some enforcement powers so that they will be heard.

Equally important, we need to give enforcement reform some outlet to change the culture of regulators when they deal with small business so that somebody who has examples of regulators that have been overreaching can get a fair hearing and a fair shake from the regulators. These measures would level the playing field and bring some accountability into small business.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter from the National Federation of Independent Business from the Vice President of Federal Government Relations.

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

NATIONAL FEDERATION
OF INDEPENDENT BUSINESS,
Washington, DC, March 7, 1996.

Hon. CHRISTOPHER BOND,
Chairman, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: On behalf of the more than 600,000 small business owners of the National Federation of Independent Business (NFIB), I urge all your colleagues to support S. 942, the Small Business Regulatory Enforcement Fairness Act of 1996. The Bond-Bumpers legislation includes important provisions that have been top priorities for NFIB members for many years. It also includes provisions that were recommended by small business owners at the 1995 White House Conference on Small Business. The bill has these important elements:

Strengthening the Regulatory Flexibility Act.

Provisions that would encourage a more cooperative regulatory enforcement environment regulation.

Updating the Equal Access to Justice Act.

Providing for the judicial review of the Regulatory Flexibility Act of 1980 is of particular concern to the small business community because it has the potential to fulfill the promise of that 16 year old law. the purpose of ''reg.flex.'' was to fit regulations to the scale and resources of the regulated entity. A strong ''reg.flex.'' process will provide a substantial measure of the regulatory reform that small business owners have wanted for years.

The vote on S. 942 will be a ''Key Small Business Vote'' of the 104th Congress.

Sincerely,

DONALD A. DANNER,
Vice President,
Federal Government Relations.

Mr. BOND. Mr. President, it says, in part:

On behalf of the more than 600,000 small business owners of the National Federation of Independent Business, I urge all your colleagues to support S. 942, the Small Business Regulatory Enforcement Fairness Act of 1996. The Bond-Bumpers legislation includes important provisions that have been top priorities for NFIB members for many years. It also includes provisions that were recommended by small business owners at the 1995 White House conference on small business.

It then goes on to describe it. It says, in closing, ''The vote on S. 942 will be a key small business vote of the 104th Congress.''

I see my colleague from Arkansas is on the floor so I yield the floor.

Mr. BUMPERS. Mr. President, first, I want to express my sincere appreciation to the chairman of the Small Business Committee, my distinguished colleague, Senator BOND, who has spoken very eloquently about this whole issue.

Second, I want to say that all the concerns I had about this bill—and we had some—he has very graciously accommodated. I think the bill is to the point now that if it were permitted to be brought up it would sail through this Chamber by a vote of 100–zip.

In 1980, Congress passed what we know as the Regulatory Flexibility Act. It was designed to lighten the regulatory burden on small businesses. What is wrong? It has not worked. The small business community feels that they have been taken because the bill simply did not provide the relief that was represented to them. Every White House conference for small business that has been held has put regulatory flexibility as one of the very top issues that concern them. In 1992 it was one of their top issues.

Now here is an opportunity for Congress, for the first time, to keep faith with the small business community on something they say is just about the highest item on the agenda. There is absolutely no sense in anybody delaying the taking up or the passing of this bill.

To those who are working on a much broader regulatory reform bill, I say, ''amen.'' You have my blessing. Stay with it. I hope some regulatory reform bill on a comprehensive basis is offered that I can support. Until that happy day, this bill ought to pass now. It is not related to the broader regulatory reform bill. This bill says very simple things, but they are dramatic and they are helpful.

First, the Small Business Administration will have a small business ombudsman. Some guy comes into your office and says, ''Your fire extinguisher is 56 inches off the floor and it ought to only be 54 inches off the floor, therefore I am fining you $100,'' they can

write a letter or call the ombudsman and say, ''This is ridiculous. Not only is he trying to fine me $100, he is arrogant. He is abusive.'' We are trying to comply with the law out here and make a living and the ombudsman can record it, sort of keep a report card on some of these people who come in with an abusive attitude. What is wrong with that?

Second, we say and this is the most important part of the bill, henceforth and forevermore when you draft a regulation you will have to accompany it with an explanation in the mother tongue—which is English—and say in clear, plain, written English what this regulation does and what it takes to comply with it. It would not be a bad idea to let the IRS in on that, too. Why is the IRS perhaps the most detested of all Federal agencies? Because everything they do is subject to 18 interpretations.

Third, there is a broader equal access to justice provision in this bill which says small business is entitled to attorney fees in certain instances where they are sued and have to resist a regulation that is found to be outside the intent of Congress. What is wrong with that?

We already have a rule that says a regulation that is found to be arbitrary and capricious can be stricken; but we do not have a bill that says if the courts find that OSHA or EPA or anybody else who tries to impose a regulation on you to be arbitrary and capricious, you win, but you lose because you do not get your attorney fees. Under this bill in such a case you would almost always get your attorney fees. That is the way it ought to be.

Finally, we have a provision that is mildly controversial called judicial review. That is, if you do not like a regulation and you believe that it goes beyond the intent of Congress and that Congress did not intend this nonsense to be imposed on you, you challenge it. Haul them into court—why not? Congress passes a one-sentence law and the regulators will draft 1,000 regulations to enforce it, and then say those regulations are sacred even though the small business community had no input. Congress goes home, beats itself on the chest, gives itself the good government award and says, ''Well, we passed a law, we thought it would be OK.'' But nobody rode herd on the regulators.

So here there are 1,000 regulations out there and they are saying, ''We will impose these on you and you do not have the right to appeal.'' That is downright un-American. I do not care what anybody says.

I do not think I have ever voted to disallow judicial review. So here is a chance to say to the small business community, we have heard your complaints, we are doing everything we can, not only to lighten the regulatory burden but make the regulators pay if they unfairly and arbitrarily abuse you with their regulations.

Let me just repeat one thing. It is a real tragedy. This bill has nothing to do with this giant so-called Dole-Johnston or Johnston-Dole regulatory reform bill. I will tell you something else. I do not want it part of that bill. I do not want somebody trying to attach this bill to that bill as an amendment. I want to pass this bill and say to the small business community: Here is something for you, whether this other mess ever passes or not.

So, the minute the request of the distinguished Senator from Missouri to bring that bill up under the terms he requested, which are eminently reasonable—the minute that bill hits this floor and we spend an hour and a half debating it, it will be out of here 100-zip.

We cast 23 votes this year. Last year at this time we cast over 90 votes. In short, we are not doing anything, and, in addition to that, here we are with an opportunity to do something that really amounts to something and we cannot get that done.

So the Senator from Missouri and I are going to persevere with this. We are going to get this bill passed one way or the other, because it makes too much sense not to.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon.

THE OMNIBUS APPROPRIATIONS ACT

Mr. HATFIELD. Mr. President, yesterday I received a letter from Dr. Alice Rivlin, Director of the Office of Management and Budget, concerning the omnibus appropriations bill our Appropriations Committee reported yesterday.

As our colleagues know, the Appropriations Committee reported that measure to provide funding beyond the March 15 deadline of the current resolution for the programs and activities of the Federal Government and agencies funded in the five appropriations bills not yet signed into law, to respond to the President's supplemental request for Bosnia operations and disaster relief and to respond to his request for additional funding for certain programs he believes to be of a priority nature.

Dr. Rivlin's letter is disappointing to say the least. She concludes by declaring, and I quote directly from the letter: ''Regrettably, I must advise you that if the bill were presented to the President in its current form, he would veto it.'' ''Veto'' is the word. I do not think anybody needs to go to Webster to find out that veto is no, negative, cut off, closed issue.

By the way, may I say parenthetically, I received this letter yesterday afternoon, within a matter of an hour or two after the committee had completed its work and during which time the committee made amendments to the so-called chairman's mark. I defy anybody to go through that complex document in a matter of an hour or two and know precisely what it means and what it says.

The Appropriations Committee has gone to considerable lengths for many months to address the concerns of the administration. In the bill reported yesterday, our committee went a very long way, in my judgment, toward the administration's position on many issues. That the administration would ignore that progress and still threaten to veto before the process is even completed—because, as everyone knows we are still in the process of having the full floor consider this bill as well—indicates to me that they are more interested in the politics of the moment than the responsibility of governing.

Let me be specific. The President has made the so-called COPS Program, cops on the beat, a top priority. The bill reported yesterday provides $1 billion for that purpose. Mr. President, $1 billion is significant money.

The President vetoed the VA/HUD bill, in part because it did not provide funding for the National Service Program. Our reported bill carries Senator BOND's recommendation, as the subcommittee chairman, of $383 million for that program. The committee also agreed with his recommendation to add $240 million in funding for the environmental protection programs and $50 million for community development financial institutions, both priorities of the administration, identified as such in the President's veto message of the VA/HUD bill.

In the Interior bill, the committee concurred with Senator GORTON's recommendation that we want to refine the language on the Tongass National Forest and the salvage timber provisions of last year's rescissions bill, both in response to the President's objections listed in his veto message. We also recommended greater funding for the Park Service.

In addition, we adjusted funding levels in the Labor-HHS bill to provide for $6.5 billion for title I of that bill, compensatory education; $3.245 billion for education for the handicapped; $200 million for drug free schools. These are ample sums and all have been identified as priority programs of the administration.

Mr. President, let me underscore this sentence. All of this was done within existing constraints. In other words, it was done within the constraints of the budget resolution passed by the Congress.

But, in addition to these—in addition—our committee recommended $4.7 billion in additional money—add-on, increase—for an array of programs that the President had requested and that the committee believes should be funded if—if—the additional resources can be found.

In total, the committee provides about $6.2 billion in response to a request of the administration for about $8 billion for programs of interest to the President. We went to $6.2 billion